

The Global Newspaper  
Published in Paris  
Simultaneously  
in London, Zurich,  
Hong Kong, Singapore,  
Tokyo, Manila and  
Sydney

# Herald Tribune

Published with The New York Times and The Washington Post

ZURICH, THURSDAY, MAY 16, 1985

ESTABLISHED 1887

## Reagan Approves 'Populist' Tax Plan; Hard Campaign Set

By David Hoffman  
and Anne Swanson  
Washington Post Service

WASHINGTON — President Ronald Reagan has accepted a far-reaching tax-simplification proposal and will begin a campaign for it Monday with a televised address emphasizing its "populist" aspects, administration officials said.

Mr. Reagan approved most aspects of the plan at a White House A Senate measure would levy a minimum tax on many Americans working abroad. Page 3.

meeting Tuesday with Treasury Secretary James A. Baker 3d and other senior officials.

The plan includes almost doubling the personal exemption to \$2,000, lower individual rates and the elimination of many popular deductions and tax breaks.

Officials said the proposed three-tier individual income tax structure would call for a rate of 15 percent for low incomes, 25 percent for middle incomes and a top bracket of 34 or 35 percent.

They said there was discussion of bringing the top bracket down further, possibly to as low as 30 percent, or of adding a fourth bracket at 30 percent, but those ideas were set aside.

The proposal is expected to include a minimum tax for corporations. Sources confirmed that the administration has decided to permit gifts donated to charity, including stock, to be deducted at their market value rather than at their original price plus inflation. Unsettled has complained that the latter approach would drastically reduce their revenues.

Officials had discussed raising the personal exemption from \$1,040 this year to \$1,800. The decision to make it \$2,000, officials



Aidan Walsh

## Armed Men Kidnap a Top UN Official In Beirut

BEIRUT — Armed men kidnapped a senior United Nations official in Beirut on Wednesday, bundling him into a car after smashing the windshield of his UN vehicle and holding a gun to his driver's head.

Aidan Walsh, 46, deputy director for the United Nations Relief and Works Agency, which assists Palestinian refugees in the Middle East, was seized on a seaford boulevard while going to work, officials of the agency said.

Mr. Walsh, an Irishman, was the second officer of the agency and the 12th foreigner abducted in Lebanon this year. He was the first person abducted since a wave of kidnappings in March.

There was no immediate indication of which group was responsible for the abduction.

An official of the UN agency said that two cars containing eight gunmen in green camouflage fatigues blocked Mr. Walsh's car. "Four men jumped out, pointed Kalashnikov rifles and pistols at the car," the official said.

"The Palestinian driver tried to argue with them, saying Walsh was Irish and UNRWA was helping people in Lebanon," the official said, "but one of the men smashed his windshield with a rifle butt and held a cocked rifle to his head."

Two gunmen then grabbed Mr. Walsh by the arms as another pushed him from behind. They bundled him into the back seat of one of their cars and drove off.

[The police said that nine persons were killed and 22 were wounded in sectarian battles that raged along Beirut's Green Line, in the 18th straight day of clashes on the line dividing the city's Christian and Moslem sectors, The Associated Press reported.]

Mr. Walsh has been in Beirut since September. His wife and three children live in Dublin.

He was seized nearly two months after a British journalist, Alec Collett, who was on assignment as an information consultant in Beirut for the agency, was kidnapped south of Beirut on March 25.

Mr. Collett was among nine foreigners abducted in March. One, a Dutch Jesuit priest, was found murdered in the eastern Bekaa Valley and four were freed, but the rest are still held.

Mr. Walsh's kidnapping brought to 10 the total of foreigners still missing after abduction in Moslem-controlled regions of Lebanon this year and in 1984.

Aside from Mr. Walsh and Mr. Collett, those held include five Americans, two French diplomats and a Saudi Arabian diplomat.

Anonymous callers saying they represented Islamic Jihad, a Moslem fundamentalist group, have claimed responsibility for most of the abductions.

## Toll at 8 In Siege Of MOVE

Mayor Defends  
Action of Police  
In Philadelphia

PHILADELPHIA — The police reported Wednesday that they had found eight bodies in the charred ruins of the house formerly occupied by the radical back-to-nature group MOVE.

The house was destroyed after the police bombed it in an attempt to gain entry, and about 60 neighboring dwellings also were burned.

On Tuesday, Mayor W. Wilson Goode defended the decision by the police to drop a bomb on the house as appropriate, although the action "did not turn out as intended." The city's police commissioner said Wednesday that officials believe the group had a hand in starting the fire.

All or parts of six charred bodies, two of them the remains of children, were removed Tuesday from the house. Clarence Mosley, the city's assistant managing director, said that one of the two bodies found Wednesday also was that of a child.

Some reports had said as many as 12 adults and 10 children had been barricaded in the house before the police tried to clear them out. Other reports said that MOVE members had dug a labyrinth of tunnels from the basement, and the police were looking for signs of escape routes.

Mr. Goode, who denounced MOVE as a group "dedicated to the destruction of our way of life," said at a press conference that he accepted responsibility for the "accidental and unexpected" fire. "But it was the right decision," he said.

He promised the estimated 225 neighborhood residents who were displaced by the fire that the city would pay to rebuild their houses. About 60 houses were destroyed, more than in any other fire in the history of the fifth-largest U.S. city. Damage is estimated at least \$5 million.

Police Commissioner Gregory Sambor, interviewed Wednesday on a television news program, said, "We did not create any fire."

"The fire did start inside the house," said Mr. Sambor, who ordered the house demolished. He said that the police had tested the bomb on similar structures made of wood and tar paper without starting any fires.



Mayor W. Wilson Goode, right, defended in a television broadcast the decision by the Philadelphia police to bomb the headquarters of the back-to-nature group MOVE. A resident of the neighborhood that burned in the ensuing fire, Leslie Garner, above, wore a shirt supporting the group. One of the co-founders of move, John Africa, above right, was acquitted in 1978 of federal charges following a confrontation in which a Philadelphia police officer was killed.

Mayor W. Wilson Goode, right, defended in a television broadcast the decision by the Philadelphia police to bomb the headquarters of the back-to-nature group MOVE. A resident of the neighborhood that burned in the ensuing fire, Leslie Garner, above, wore a shirt supporting the group. One of the co-founders of move, John Africa, above right, was acquitted in 1978 of federal charges following a confrontation in which a Philadelphia police officer was killed.

## Output Declines In U.S.

Drop Is First  
In Six Months,  
The Fed Says

WASHINGTON — U.S. industrial production fell 0.2 percent in April, the first decline in six months, the Federal Reserve Board reported Wednesday.

The central bank said its index of the total output at U.S. factories, mines and utilities fell for the first time since a 0.4-percent drop in October. April's decline followed a 0.3-percent rise in March.

[As the report of a decline in output was being made public, Larry Speakes, the White House spokesman, sought to allay fears about savings and loans associations in Maryland, where two such institutions have been placed under a state-appointed overseer, United Press International reported from Washington.]

"The federal system is safe and protected," Mr. Speakes said. "We're monitoring the situation at the Treasury. It has been discussed at the White House, but these are state matters." Details, Page 13.]

Sales of manufactured goods rose a slight 0.4 percent in March, and inventories declined for the first time in two years, the government said Wednesday.

The Commerce Department said that sales totaled a seasonally adjusted \$420.2 billion during March after a 0.3-percent February increase.

Total business inventories dropped 0.1 percent in March to \$578.2 billion. It was the first decline in inventories since a 0.6-percent drop in March, 1983.

The setback in production reflects the industrial sector's struggle to overcome the effect of America's worsening trade performance, where imports are outpacing U.S. exports by a record margin. Economists have also cited the trade deficit for limiting overall U.S. economic growth so far this year.

Analysts said the inventories decline reflected the general weakness in the overall economy and showed that businesses were trying to cut their stocks of unsold goods because of weak demand.

The Reagan administration and some economists said they viewed a 0.9-percent increase in retail sales last month as an encouraging signal.

(Continued on Page 2, Col. 7)

## U.S. Seeking Inspection Of Israeli Nuclear Sites

By John M. Goshko  
Washington Post Service

WASHINGTON — The United States has asked to inspect secret nuclear installations in Israel to verify that American-made timing devices, allegedly obtained by surreptitious means, have not been used in making atomic weapons or re-exported to other countries, U.S. and diplomatic sources report.

The devices, tiny switches known as krytrons, provide the precise timing necessary for nuclear explosions. They are also used in oil-exploration equipment and medical equipment.

According to the sources, Israel has not replied to the formal requests for inspection made by the State Department. They added that the situation had potentially sensitive implications for U.S.-Israeli relations because the Israeli government was aware that U.S. policy forbids overseas sales of krytrons unless they are subjected to strict case-by-case review and licensed by the State Department.

If Israel is unwilling to permit such inspections, the United States wants Israeli officials to come up with an alternative means of accounting for an estimated 500 to 600 devices.

Washington has also called on Israel to return unused devices still in its possession, because they were never licensed for export, the sources said.

It became known this week that a federal grand jury in Los Angeles was investigating whether the devices were smuggled out of the country in violation of U.S. law.

Under the Atomic Energy Act and the Export Administration Act, violators could be liable to a 20-year prison term if it were proven that the devices had been exported for the national security advantage of a foreign country.

It has been widely assumed for years that Israel can make atomic weapons. U.S. officials have said, however, that Israeli secrecy prevents the United States from learning whether Israel has such weapons.

Israel's refusal to submit to international controls and inspection has also meant that, despite its close ties to the United States, it is barred by U.S. nuclear proliferation rules from obtaining devices such as krytrons that could be used in developing nuclear weapons.

The Israeli Defense Ministry, reacting Sunday to news of the grand jury investigation, admitted that it had obtained a number of krytrons between 1979 and 1983 and still had a large stockpile. The ministry said the devices had been used only in conventional equipment for research and development and testing and that none had been sent to other countries.

A Pakistani citizen, Nazim Ahmed Vaid, was arrested in June in Houston on charges that he had tried to obtain 50 krytrons and smuggle them out of the country. The Pakistani government denied that his actions were connected to its reported atomic bomb program. Mr. Vaid, after being allowed to

## U.S. Progresses With Laser Weapon

By William J. Broad  
New York Times Service

NEW YORK — Scientists at the Lawrence Livermore National Laboratory in California have made what appears to be an important advance in developing an X-ray laser space weapon powered by a nuclear bomb, U.S. scientists say.

The government scientists and others familiar with the top-secret research said Tuesday that the advance has increased the brightness and thus the power of the X-ray device by focusing its rays.

Major critics of a space-based missile defense system, which is strongly supported by President Ronald Reagan, have been briefed on the advance.

Dr. Hans A. Bethe, the Nobel laureate physicist who has been a key critic, wrote to the chief scientist on the space defense project soon after the briefing to say, "The X-ray laser should not be disqualified simply because it exploits a nuclear explosion as a power source."

Previously, Dr. Bethe has been publicly disparaging of the X-ray weapon, but it was not clear if the briefing was what changed his position.

The X-ray laser has been under development for nearly five years at the Livermore laboratory. It was a major catalyst in the start of the space defense plan, which Mr. Reagan calls the Strategic Defense Initiative and which is widely known as "Star Wars." The first-generation device was known as Excalibur, from the legend of King Arthur. The new device is known as Super Excalibur.

In recent months, Reagan administration officials have tended to play down the X-ray laser's importance in the five-year, \$26 billion research project on space weapons, emphasizing instead the use of nonnuclear devices to destroy enemy missiles in space. For example, these devices might hurl nonexplosive projectiles to destroy targets through their speed and impact.

As a result, one critic said Tuesday, the recent development at the Livermore laboratory is politically embarrassing in a sense, to the Reagan administration.

Increased brightness is crucial if the laser in the X-ray range of the spectrum is ever to be effective against satellites and missiles in space, according to both defenders and detractors of the device.

The nuclear X-ray laser takes the power of a nuclear explosion and channels it into laser rods that emit powerful bursts of radiation. Over long distances in space, these rays would tend to spread out, gradually reducing the destructive power of the weapon.

According to government scientists, a method of focusing the rays was tested in Nevada in an underground explosion. The test occurred March 23, the second anniversary of Mr. Reagan's speech proposing a space shield to render nuclear weapons "impotent and obsolete."

## Romanian Policy of U.S. Is Assailed

By Bradley Graham  
Washington Post Service

MUNICH — After three and a half years of trying to persuade officials in Washington to toughen their approach to Romania, David B. Funderburk has resigned as the U.S. ambassador to Bucharest and decided to publicize a policy dispute with senior administration officials.

Mr. Funderburk contends that U.S. policy toward Romania is largely misconceived and ineffective.

Mr. Funderburk, in an interview Monday, called for a revision of U.S. policy and a possible end to the "most-favored-nation trading status and other concessions Washington regularly grants the Bucharest government."

Romania has received preferential U.S. treatment since the late 1960s on the basis of a foreign policy that often diverges from Moscow's. But Mr. Funderburk contends that Romania's independence is exaggerated and that its ties to the Soviet Union are more extensive than Washington policymakers are willing to recognize.

Moreover, he says, Romania's abysmal record on human rights and its lack of internal reforms are a mockery of U.S. policy goals.

For example, he said, on the surface, Romania was complying with U.S. wishes to relax emigration constraints. Hundreds were being granted permission to leave Romania and were flooding the U.S. Embassy requesting visas.

But on closer examination, U.S. officials found they had been outwitted by the Romanian president, Nicolae Ceausescu, he said. Many Romanians being let go turned out to be unqualified for admission to the United States.

"We were outfoxed by Ceausescu," Mr. Funderburk said. "He in effect dumped people on us like a mini-Marx, a reference to the 'boat lift' of Cubans to the United States in 1980. 'Hundreds of those approved for emigration

## Shultz Says Nothing Set On Summit

VIENNA — Secretary of State George P. Shultz said Wednesday that in talks Tuesday with the Soviet Foreign Minister, Andrei A. Gromyko, the superpowers had not set a time or place for a U.S.-Soviet summit meeting.

Mr. Shultz then left for Washington, declining to say whether the proposed meeting had been discussed during the six-hour session at the Soviet Embassy.

He had said previously on Austrian television, "We have not been able to settle on when or where that meeting will take place."

Mr. Shultz said that both sides obviously were interested in an exchange of views between President Ronald Reagan and the Soviet leader, Mikhail S. Gorbachev, but, "We just have nothing to add to what is already known."

Mr. Reagan has invited Mr. Gorbachev to Washington, but the Russians apparently are more interested in meeting in New York in September when world leaders are attending the opening of the UN General Assembly.

Before leaving, Mr. Shultz had another 10-minute discussion with Mr. Gromyko, accompanied only by interpreters.

■ Austria Marks Independence

Austria marked 30 years of postwar independence Wednesday as governments from East and West praised its neutrality. Reuters reported from Vienna.

Mr. Shultz and Mr. Gromyko both said in speeches that the negotiations that led to the treaty showed that, given the will, talks could bring solutions to problems.

The former Austrian chancellor, Bruno Kreisky, a leading member of Austrian negotiating teams 30 years ago, said that the Austrian treaty laid the foundations of détente. "I express the wish that we return to this policy," he said.

The treaty was signed May 15, 1955, after 10 years of negotiations. It led to the withdrawal of occupying troops from the United States, the Soviet Union, Britain and France. Shortly afterward Austria declared itself permanently neutral.

## INSIDE

- The Soviet Union has stepped up air and artillery attacks in Pakistan. Page 2.
- United Airlines and its pilots are nearing a strike. Page 3.
- Democrats' budget plan would freeze funds for military, not Social Security. Page 3.
- SCIENCE
- A computerized eye-monitoring system may give voice to people who otherwise could not speak. Page 6.
- BUSINESS/FINANCE
- A key shareholder in Dornier GmbH has accepted a plan to sell a stake in the company to Daimler-Benz AG. Page 11.
- SPECIAL REPORT
- Lower oil income in the United Arab Emirates has hurt political consensus. Page 7.
- TOMORROW
- The alternative press in the United States is seeking an older, more affluent readership.



Jean Dubuffet, the French artist, and David Rockefeller, chairman of the Chase Manhattan Bank, view a model of the sculptor's "Group of Four Trees" in 1972 at Chase Manhattan Plaza in New York. Mr. Dubuffet, 83, died Sunday in Paris. Page 5.

## Embassy Resigns, Says Washington Ignores Rights Violations

By Bradley Graham  
Washington Post Service

MUNICH — After three and a half years of trying to persuade officials in Washington to toughen their approach to Romania, David B. Funderburk has resigned as the U.S. ambassador to Bucharest and decided to publicize a policy dispute with senior administration officials.

Mr. Funderburk contends that U.S. policy toward Romania is largely misconceived and ineffective.

Mr. Funderburk, in an interview Monday, called for a revision of U.S. policy and a possible end to the "most-favored-nation trading status and other concessions Washington regularly grants the Bucharest government."

Romania has received preferential U.S. treatment since the late 1960s on the basis of a foreign policy that often diverges from Moscow's. But Mr. Funderburk contends that Romania's independence is exaggerated and that its ties to the Soviet Union are more extensive than Washington policymakers are willing to recognize.

Moreover, he says, Romania's abysmal record on human rights and its lack of internal reforms are a mockery of U.S. policy goals.

For example, he said, on the surface, Romania was complying with U.S. wishes to relax emigration constraints. Hundreds were being granted permission to leave Romania and were flooding the U.S. Embassy requesting visas.

But on closer examination, U.S. officials found they had been outwitted by the Romanian president, Nicolae Ceausescu, he said. Many Romanians being let go turned out to be unqualified for admission to the United States.

"We were outfoxed by Ceausescu," Mr. Funderburk said. "He in effect dumped people on us like a mini-Marx, a reference to the 'boat lift' of Cubans to the United States in 1980. 'Hundreds of those approved for emigration



## Soviet Raids in Pakistan Viewed as Bid to Deter Aid for Afghan Rebels

By Steven R. Weisman  
New York Times Service

ISLAMABAD, Pakistan — The Soviet Union has stepped up air and artillery attacks inside Pakistan in recent months in what Pakistani officials say is an attempt to undermine support here for Afghan rebels.

The officials said Monday that their latest figures showed a doubling in the rate of attacks by Soviet planes along the northwestern border. They said there had been 83 violations of Pakistani airspace since the beginning of the year, compared with 88 such violations in all of 1984.

The increased activity has stirred new concerns among American and Pakistani policy-makers that the attacks could generate resentment and fear among Pakistanis over the toll being taken by the fighting in Afghanistan.

"The air incursions are important," a U.S. official said, "because if they keep continuing, they could create a public perception that Pakistan is somehow helpless in the face of them. They have a bad psychological effect, and they give ammunition to the opponents of Pakistan's policies."

Indeed, the attacks appear to have been a factor in what some call a growing tendency by critics of President Mohammad Zia ul-Haq to question the government's strong support of the Afghan rebels. Three million Afghans — one-fifth of the population — have fled into Pakistan since 1979.

In interviews, Pakistani and American officials expressed full confidence that public support for the Afghan rebels would not diminish. They predicted, however, that there will be a debate over the wisdom of that support when the Pakistani National Assembly convenes next month.

Such a debate would be likely to

force General Zia's government for the first time to mount a vigorous defense of his policies and answer his critics in a public forum.

A senior Pakistani official said that after meeting in Moscow in March with the Soviet leader, Mikhail S. Gorbachev, General Zia concluded that the Russians were growing "impatient" with the stalemate in Afghanistan.

This official said that Mr. Gorbachev had told General Zia that the Soviet Union was highly concerned about Pakistan's support for the guerrillas. The official said that Soviet incursions into Pakistani airspace were thus seen as an attempt to "intimidate" Pakistan in what he called "a war of nerves."

For years, it has been widely known that the United States has joined with Arab countries and others to help provide covert assistance to the Afghan rebels, who are waging a fierce battle against more than 100,000 Soviet troops, who began entering Afghanistan in December 1979.

[The U.S. Senate voted unanimously Tuesday to provide \$15 million in direct humanitarian aid to Afghans affected by the Soviet occupation. The Associated Press reported from Washington. The vote marked the first time that the Senate had publicly designated funds for this purpose.]

The Soviet intervention prompted President Ronald Reagan to provide Pakistan with a \$1.6-billion military aid package, including 40 F-16 jet fighters.

"Those planes are not meant for Pakistan to go out and find Soviet planes to attack in Afghanistan," a U.S. official said. "They are meant to prevent the Soviets from attacking the heart of Pakistan. That deterrence has worked."

### Soviet Prisoners Reported

Afghan guerrilla sources told The Associated Press in Peshawar that scores of Soviet soldiers and pilots captured by the guerrillas in Afghanistan were being held and interrogated, inside Pakistan with the knowledge of the Pakistani government.

The Soviet Union asserted recently that 24 Soviet and Afghan soldiers were killed while trying to escape April 27 from a guerrilla camp about 10 miles (16 kilometers) from Peshawar, near the Afghan border. The Pakistani government, however, has denied knowledge that any Soviet or Afghan prisoners have been held in the country or that any were killed in an escape attempt.

Senior guerrilla and other Afghan sources, speaking on condition of anonymity, said in interviews that the guerrillas had been bringing Soviet prisoners across the border since 1981.



**GANDHI HOLDS FIRM** — Despite the urging of Sikh leaders in New Delhi, left, and some members of Parliament, Prime Minister Rajiv Gandhi of India, center, persisted Wednesday in his plan to visit the United States. Concerns about Mr. Gandhi's safety stem from the FBI's charge of a plot to kill him.

## Egyptians, Israelis Seek To Clear Way to Summit

The Associated Press

CAIRO — Israeli and Egyptian negotiators held talks Wednesday to resolve issues that have clouded their relations and have blocked a proposed summit meeting between President Hosni Mubarak and Prime Minister Shimon Peres of Israel.

If the talks succeed, sources close to Mr. Mubarak said, such a meeting can be held by July.

## Campaign Set For Tax Plan

(Continued from Page 1)

York, and Senator Robert W. Kasten Jr., Republican of Wisconsin, authors of a major tax-simplification proposal in Congress, have urged the White House to bring the top rate below 30 percent.

Officials said this idea was discarded Tuesday because the revenue loss could not be easily offset elsewhere in the plan. Mr. Reagan has pledged that the plan will be revenue-neutral, meaning that it will bring in approximately the same revenues as existing tax laws.

White House officials said they did not expect congressional advocates of tax simplification to embrace the new plan immediately. They said they hoped it would be seen as a "framework" for producing legislation in the next few months.

Egyptian and Israeli diplomats said the talks, held under heavy security in a hotel in Gaza on the outskirts of the capital, would cover several issues.

The most crucial topic for Egypt is settling the status of Taba, a 250-acre (100-hectare) beach tract overlooking the Gulf of Aqaba at the southern end of the border between the two countries.

Israel retained control of Taba when its soldiers withdrew from the Sinai Peninsula in April 1982 under terms of a 1979 peace treaty. Egypt wants Taba's status settled by arbitration, but Israel wants to try mediation first.

A four-member U.S. team attended the afternoon session of the talks. U.S. Embassy sources said the Americans were participating as observers only in talks concerning the border dispute and would not be on hand for other talks.

Relations between Israel and Egypt soured after the Israeli invasion of Lebanon in June 1982. Mr. Mubarak recalled his ambassador to protest the invasion and a massacre of Palestinian refugees by Lebanese Christian militias who supported Israel.

Meanwhile, riot police used truncheons to rout hundreds of protesters outside Cairo's main synagogue. The protest appeared related to reports that a ceremony commemorating the 1948 founding of Israel was planned inside the synagogue. The Israeli Embassy denied that a ceremony was planned.

## Mengele Reported Seen In Paraguay Last July

Wiesenthal Also Says Kohl Has Sought Aid in Preparing for Stroessner Visit

By Henry Kamm  
New York Times Service

VIENNA — Simon Wiesenthal, the Nazi hunter, says Josef Mengele, the German death camp doctor, was sighted in Paraguay as late as last July.

Mr. Wiesenthal, in interviews at his Documentation Center here in the last week, said the last confirmed sighting was in the settlement of Capitán Miranda, outside Hoboken.

According to previous accounts, Dr. Mengele, 74, was seen in 1983 in Parral, Chile, and in Brazil. Other reports placed him in Paraguay in 1982.

According to Gerald Posner, a New York lawyer who is writing a book on him, in the 1960s Dr. Mengele narrowly escaped capture in by Jewish agents in the area of Capitán Miranda. The area was described as difficult to get to because it is near a closed military zone with several presidential summer homes.

Mr. Wiesenthal said he had informed Chancellor Helmut Kohl of West Germany that Dr. Mengele was seen at different times in July by three unidentified persons who do not know one another and who lived in different countries.

Mr. Wiesenthal wrote to Chancellor Kohl in response to a letter requesting assistance as West Germany prepares for a visit in early July by General Alfredo Stroessner, the Paraguayan leader.

A West German government spokesman, Karin Konrad, said Tuesday that she was unable to confirm the exchange of letters.

General Stroessner, who was born in Hof, Bavaria, and last visited West Germany in 1973, will be in Bavaria by an organization called the Institute for the Development of German-Paraguayan Relations. He is expected to be received by Bavaria's premier, Franz Josef Strauss.

The visit has been criticized by the main West German opposition party, the Social Democrats, and President Richard von Weizsäcker has, according to officials, extended a summer vacation abroad to avoid having to greet General Stroessner.

Mr. Wiesenthal said recent reports from agents and informers had convinced him that Dr. Mengele remains in hiding under Paraguayan government protection.

Dr. Mengele is wanted in West Germany, Israel and the United States for atrocities committed as a physician at the Auschwitz concentration camp, where he selected victims for the gas chambers and conducted fatal and maiming experiments on prisoners.

Mr. Wiesenthal said he believed

General Stroessner's visit to West Germany offered the best chance for bringing Dr. Mengele to justice. In Mr. Wiesenthal's view, as well as that of investigators in other countries, Paraguay's wishes are the key to apprehension.

Many investigators say that if General Stroessner wanted to deliver Dr. Mengele, his secret police could do so quickly.

Mr. Wiesenthal said that Chancellor Kohl, in a letter dated March 8, said he intended to "raise emphatically" the issue of Dr. Mengele's extradition. In view of the Paraguayan government's assertions that the wanted man is not in Paraguay, the chancellor continued, West German pressure would be more effective if Mr. Wiesenthal were to supply particulars to substantiate his belief that Dr. Mengele is there.

Mr. Wiesenthal told the chancellor that the Paraguayan government was in a position to profess that Dr. Mengele does not live in Paraguay because he has been living there since 1979 under an assumed name and as a citizen of an unidentified Central American country.

In February 1981, Mr. Wiesenthal informed Hans-Eberhard Klein, the Frankfurt prosecutor responsible for the West German case against Dr. Mengele, that the doctor obtained a passport of that Central American country in 1979. He was said to have done so through an office in the Washington area.

### Document Reportedly Found

A document issued by an Italian Red Cross office in 1949 bears the fingerprint of Dr. Mengele, according to an Associated Press report on an article in a Frankfurt newspaper.

The Frankfurter Rundschau said U.S. and West German authorities searching for Dr. Mengele have obtained copies of the document, which is a temporary travel application issued in Genoa, Italy, to a Helmut Gregor and recently found in the archives of the Geneva-based International Red Cross.

The newspaper did not identify its sources for the article, which said Dr. Mengele's right thumbprint was on the document.

In Geneva, a Red Cross spokeswoman confirmed that copies of the application were recently given to U.S. and West German authorities. But she said she could not confirm that Dr. Mengele's fingerprint was on the document.

She said the document apparently was sent by the Geneva office to the archives in Geneva for storage and had remained there for years.

## WORLD BRIEFS

### Italian Communists Set Back in Cities

ROME (UPI) — Communists are expected to be shut out of office in all but two of Italy's nine biggest cities as a result of defeats in local elections last weekend, political commentators said Wednesday.

Bologna and Florence are the only cities among the nine where the Communists have the strength to take control of the city councils in alliance with other leftist parties. The Communists, Italy's second-largest party, formerly controlled six of the nine cities.

In the remaining seven cities — Rome, Milan, Turin, Genoa, Venice, Bari and Palermo — the five parties that form the coalition headed by Prime Minister Bettino Craxi, a Socialist, have won enough seats to form majority city councils. Five-party administrations also are expected to take over in scores of smaller cities.

### Data Released on Korean 747 Flight

TOKYO (AP) — The pilot of the Korean Air Lines airliner shot down by a Soviet fighter in September 1983 misled Tokyo air control about his altitude during the last minutes before the attack that killed the 269 persons aboard, according to data released Wednesday by the Japanese government.

In a news conference, Yutaka Hata, a member of the upper house of the Diet from the ruling Liberal Democratic Party, said the data revealed that the pilot of the Boeing 747 had taken command and was not relying solely on an automatic pilot system during the last minutes.

The new document was issued in the name of Prime Minister Yasuhiro Nakasone and was delivered in reply to a formal query submitted by Mr. Hata last month. However, a research group led by Mr. Hata and Hideyuki Soga, a Socialist member of the upper house, did not offer possible reasons why the pilot would have given wrong information to air traffic controllers.

### Swedish Teachers' Strike Is Ended

STOCKHOLM (Reuters) — The main public employees' union in Sweden called off a 13-day strike by teachers on Wednesday but said that work stoppages by other civil servants would continue until wage demands were met.

Lars Backlin of the TCO-S union said the strike by some 6,000 teachers would end at midnight Wednesday, to relieve pressure on students and their parents. "We believe the teachers' strike has made its point," he said. About 23,000 teachers still will be affected by a lockout imposed last weekend, unless employers respond to the union gesture and allow schools to reopen.

The union's chief negotiator, Rune Larsson, said the union was eager to get negotiations started again. Swedish companies said Wednesday they would face serious problems if the strike, which has reduced the country's foreign trade to a trickle, was not settled soon. About 70,000 public-sector posts have been unmanned because of the strike and retaliatory lockout, which have halted air traffic and closed customs offices at all but a few ports.

### China Paroles Lawyer Jailed as Spy

BEIJING (AP) — China said Wednesday it had paroled a Hong Kong-born, Harvard-trained lawyer jailed for spying two years ago in a case that focused attention on arbitrary arrests and secret detentions in the Chinese justice system.

The news agency Xinhua said that parole for Hanson Huang, 34, was based on his "prison behavior and willingness to serve Chinese modernization." Mr. Huang, who once worked for a U.S. law firm, disappeared in January 1982 during a visit to Beijing. The government did not acknowledge until February 1985 that he had been arrested, tried as a spy and sentenced to 15 years at an undisclosed prison.

The announcement said Mr. Huang was paroled by an unidentified judge of the Beijing Intermediate People's Court. It did not disclose Mr. Huang's present whereabouts or explain whether he would be allowed to leave the country.

### For the Record

In the city of Anuradhapura, Sri Lanka, 10 Tamils were killed and 11 homes set on fire in reprisals against an attack by Tamil separatist guerrillas, police in Colombo said Wednesday. The death toll in the original attack on Tuesday rose to 145, they said. They also reported attacks on Tamil property at Puttalam on the west coast and Tissamaharama in the south. (AP)

Deputy Prime Minister Li Peng of China left Beijing for East Germany, Poland and Hungary on Wednesday. He is the highest-ranking Chinese official to visit the three East European countries in 20 years. (Reuters)

The death toll from Legionnaires' disease in Stafford, England, rose to 37 on Wednesday, officials said. Six nurses contracted the disease but have recovered and returned to work. The disease is not contagious. (AP)

In Yugoslavia, Radomir Vukobratovic, 63, took over Wednesday as president of the country's collective state presidency, the highest government body, the news agency Tanjug announced. The presidency is a rotating position. (AP)

The leaders of two U.S. allies in Central America are to meet in Washington with President Ronald Reagan, it was announced Wednesday. President José Napoleón Duarte of El Salvador is due at the White House on Thursday, and President Roberto Somoza Córdova of Honduras is to visit Tuesday. (APF, AP)

## U.S. Industrial Output Falls

(Continued from Page 1)

that the economy might be reviving after a sluggish first quarter.

Retail sales, boosted by a rebound in demand for automobiles, rose to a seasonally adjusted total of \$112.2 billion in April after a 0.7-percent drop in consumer spending the month before, the Commerce Department said Tuesday.

But, in early May, domestic car sales fell 8.6 percent compared with the year-ago period, the seven major carmakers reported.

General Motors Corp.'s sales were down 12.9 percent and Ford Motor Co.'s sales were off 3.0 percent. Chrysler Corp. posted a gain of 3.8 percent.

The seasonally adjusted annual sales rate for the U.S. industry in the May 1-10 period was 8.1 million, which is healthy but below the recent strong trend.

Some economists interpreted the April retail sales increase and an upward revision in the March data as signs that consumer spending is regaining lost momentum and will help to boost overall economic growth in coming months.

"Retail sales in April are very supportive of the view that we will have a rebound in growth in the second quarter," said Allen Sinai, chief economist for Shearson Lehman Brothers.

He forecast growth from April through June of around 3.5 percent. This would be substantially stronger than the January-March rate of 1.3 percent.

Other economic developments Tuesday included a government report that Americans took on \$8.34 billion more in installment debt than they paid off in March.

The March increase was 7.7 percent below the \$9.04 billion advance registered in February, according to the report by the Federal Reserve Board. The February increase originally had been reported as \$10.37 billion.

Separately, the Labor Department reported Tuesday that jobless rates in 34 states and the District of Columbia in March were below those of a year earlier, but seven states still were experiencing double-digit unemployment.

Although weapons experts in the national laboratories are eager to pursue X-ray laser research, some military officials in the Pentagon see substantial difficulties. The problems include treacherous terrain, predeployment of the weapons in space, special time constraints on trying to get them quickly into space during a Soviet attack, and the damage that exploding nuclear weapons would inflict on nearby satellites.

## Check Sought Of Israeli Sites

(Continued from Page 1)

pled guilty to a reduced charge, was deported.

Sources familiar with the Los Angeles investigation said it centered on an Israeli businessman, Arnon Milchan, who allegedly worked with a Los Angeles company, Milco International, to obtain the keytrons from their American manufacturer, EG&G Inc., a high-technology company in Woburn, Massachusetts, and transfer them to Israel.

Jack Donohue, an attorney for EG&G, said Tuesday that "we sold a number of these items" to Milco and that "as far as we know, the purchaser indicated they were for domestic use and there was no intention to export them."

One source said, however, that "it's clear on the face of things that the Israeli Defense Ministry knew that it was receiving restricted goods without having followed the prescribed rules."

"What remains to be seen," the source said, "is whether the administration or Congress will make a major issue out of this incident when it's dealing with Israeli aid or whether the matter will be soft-pedaled in exchange for an Israeli act of contrition."

Israel is the largest recipient of U.S. foreign aid. The administration has proposed aid levels for fiscal 1986 of \$1.8 billion in military assistance and \$1.2 billion in economic aid, as well as emergency economic assistance of \$1.5 billion to be spread over two years.

### U.S. Candidates Spent Record in '84 Elections

The Associated Press

WASHINGTON — Candidates spent a record \$374 million on last year's congressional races, up 9.3 percent from the 1982 elections, the Federal Election Commission reported Wednesday.

In the previous two congressional elections, spending climbed at rates of 43 percent in 1980 and 23 percent in 1978.

Scientists familiar with the recent underground test say that the results, while generally positive, were in some cases ambiguous.

"It was a very good experiment," said one scientist, who requested anonymity. "Some parts worked well. Some didn't. But nothing was so good for Teller to be so enthusiastic." He referred to Edward Teller, a physicist at Livermore who played a central role in developing the hydrogen bomb and has vigorously promoted development of the nuclear X-ray laser.

### U.S. Progresses on Laser Arms

(Continued from Page 1)

than being reflected, bent or focused by it.

However, in testimony last August before the House Republican Study Committee, Dr. Robert Jasnow, a physicist at Dartmouth University who is a proponent of the space-based missile system, said that ways would be found to focus radiation. The X-ray laser, he said, "is one of the most promising possibilities for a defense against Soviet missiles."

Scientists familiar with the recent underground test say that the results, while generally positive, were in some cases ambiguous.

"It was a very good experiment," said one scientist, who requested anonymity. "Some parts worked well. Some didn't. But nothing was so good for Teller to be so enthusiastic." He referred to Edward Teller, a physicist at Livermore who played a central role in developing the hydrogen bomb and has vigorously promoted development of the nuclear X-ray laser.

### U.S. Progresses on Laser Arms

(Continued from Page 1)

would take maybe a dozen other tests," the scientist added.

Trying to interpret the results of underground nuclear tests is complex. Analysis and debate often continue for months after.

In an interview, Dr. Bethe referred to Mr. Reagan's plan, saying: "I still feel that SDI as a whole is nonsense, but within it one should not discriminate against the X-ray laser. You should not rule out any specific technology for political reasons."

Although weapons experts in the national laboratories are eager to pursue X-ray laser research, some military officials in the Pentagon see substantial difficulties. The problems include treacherous terrain, predeployment of the weapons in space, special time constraints on trying to get them quickly into space during a Soviet attack, and the damage that exploding nuclear weapons would inflict on nearby satellites.

## Hold on to your memories.



You keep your fondest memories fresh and alive when you call the people you care about in the States. The sounds of their voices. The stories of reminiscence. All the things that brought you together when you stay in touch by phone.



**UNIVERSITY DEGREE**  
BACHELOR'S • MASTER'S • DOCTORATE  
For Work, Academic, Life Experiences.  
Send detailed resume for free evaluation.  
**PACIFIC WESTERN UNIVERSITY**  
600 N. Scottsdale Blvd.,  
Los Angeles, California  
90049, Dept. 25 U.S.A.



## House Budget Plan Freezes the Military, Not Social Security

By Margaret Shapiro

WASHINGTON — Democrats on the Budget Committee of the House of Representatives have agreed on a fiscal year 1986 budget plan that would trim \$36 billion from federal spending. It would freeze military spending, with no increase for inflation, and would not reduce Social Security benefits or raise taxes.

A one-year freeze on Social Security was a key part of the \$36-billion deficit-reduction budget passed Friday by the Republican-controlled Senate. The Senate plan would allow military spending to rise at the rate of inflation.

The plan the House Democrats agreed to Tuesday night also would reduce many domestic spending programs while protecting those targeted at the poor.

Because Democrats control the budget committee, 20-13, their plan is likely to be sent to the House floor. The committee's chairman, William H. Gray 3d of Pennsylvania, said he did not know if it would be approved there.

Mr. Gray said the military spending freeze would not hurt the United States because, due to previous funding obligations, the Pentagon would have approximately \$15 billion more to spend next fiscal year than it did in 1985.

"No contract, no equipment, no weapons system would have to go on the chopping block with this budget," he said.

[Representative Dick Cheney, Republican of Wyoming, appearing Wednesday morning on a television interview, said House Republicans would "try to get the

defense number back up at least as high as it is in the Senate," United Press International reported.]

President Ronald Reagan has said he backs the Senate's plan and will give no more ground on military spending.

Some members of the budget committee, speaking before their final vote on the plan, said additional savings in military spending would be used to protect domestic programs Mr. Reagan had proposed eliminating. They include mass-transit subsidies, the Amtrak rail system, Urban Development Action Grants and the Small Business Administration.

But these programs still would be reduced substantially by the Democrats. For instance, they would cut grants for urban development by about 10 percent and Amtrak's funds by about 7 percent, or about \$50 million.

They also said revenue sharing with local governments would be reduced by 25 percent in fiscal 1986 and then eliminated, while mass-transit subsidies would be frozen. Education funding would get a small increase, and such programs targeted at the poor as Medicaid and food subsidies would receive enough funds to cover inflation.

Mr. Gray said that, in addition to protecting senior citizens by refusing to freeze cost-of-living adjustments for Social Security and other retirement plans, the budget committee Democrats had rejected the "tremendous" cuts in Medicare approved by the Senate.

The Senate voted to reduce funding for Medicare, the health-care program for the elderly, by \$16.3 billion over three years.



William H. Gray 3d

### Weinberger Makes Proposal

Defense Secretary Casper W. Weinberger recommended Tuesday that Congress reduce inflation and other contingency accounts in the Pentagon budget rather than cut weapons programs, The Washington Post reported.

He listed \$4 billion in cuts from the fiscal 1985 budget that could be credited to fiscal 1986 to avoid cutting into military programs. This would "reduce the likelihood" that the Pentagon would have to come to Congress later this year to request supplemental funds for fiscal 1986, he said.

Mr. Weinberger's recommendations came after he had studied the impact of the Senate's action on military spending, the Pentagon said in a press release. It said he concluded "that the new budget levels cannot be accommodated without seriously impacting the defense program."

Under Mr. Weinberger's offer, \$1.6 billion would come from the surplus in this year's account to cover inflation; \$1.5 billion from money that has been set aside but not obligated to contractors, with \$1 billion of that amount in procurement and most of the remainder in research; and \$900 million in cash kept in various funds to pay bills.

## United Air And Pilots Near Strike Deadline

By Douglas B. Feaver

WASHINGTON — The Air Line Pilots Association and United Airlines, the largest U.S. carrier, are nearing a strike deadline in tough contract negotiations.

A 30-day cooling-off period expires at 12:01 A.M. New York time Friday and, if there is no resolution, the pilots' group says that United's 4,900 pilots will walk out.

[Negotiations opened their third consecutive day of federally mediated talks Wednesday, United Press International reported from Boston. Both sides reported little progress Tuesday.]

The central issue is whether the pilots' group will let United hire new pilots for lower wages than it now pays beginners and maintain them for many years at lower pay than that earned currently by United pilots.

United says that in a strike it would fly some of its schedule with new pilots that it has been training, and with an undetermined number of management pilots.

However, industry observers say many pilots who belong to the association would have to cross the picket line before United could fly a significant portion of its schedule.

United carried 41 million passengers last year, the most of any U.S. carrier. The number represents about 15 percent of all domestic airline trips.

The salary table United wants for the pilots is called a "two-tier" schedule. American Airlines negotiated such a contract with the Allied Pilots Association in November 1983, and United says it must have the same thing to remain competitive.

United is healthy financially. It led the industry in revenue last year at \$6.2 billion, operating profit of \$564 million. Increasingly, as American Air hires more beginners at cheaper wages, its costs will go down compared with United's.

"The company's No. 1 objective is to obtain a cost-competitive contract without a strike," said a United spokesman, Chuck Novak. He said the average United pilot, including captains, first officers and second officers, was paid \$91,200 a year for 81 hours of flying a month.

United has completed negotiations with two unions, the Association of Flight Attendants and the International Association of Machinists and Aerospace Workers. Two-tier salary schedules were negotiated in both cases.

## Taxing Americans Abroad

Bill Would Cut Overseas Exclusion by 50%

By Robert C. Siner

WASHINGTON — Provisions that could levy a minimum tax on many Americans working abroad who claim the earned income and housing exclusions have been introduced by Senator Daniel Patrick Moynihan, Democrat of New York.

The measure would impose a 15-percent tax on combined salary and allowances, interest, and dividend income exceeding \$40,000, or \$50,000 for a married couple filing a joint return. Corporations would

have to pay a 15-percent minimum tax on income exceeding \$100,000. At present, the first \$80,000 of income earned by Americans abroad is excluded from U.S. taxes.

Taxpayers would still be allowed to take such personal deductions as charitable contributions, medical expenses, home-mortgage interest, U.S. state and local taxes and casualty losses. However, tax-shelter losses and preferential treatment of certain forms of income would not be allowed.

Applied to taxpayers abroad, the minimum tax would be computed by finding the "net taxable income," the total of all salaries, bonuses and allowances.

From this amount the taxpayer would subtract \$40,000, or \$50,000 for a married couple, the personal exemption and the major personal deductions or the standard deduction.

The minimum tax would be 15 percent of this figure. A taxpayer would compare this with any tax owed using Section 911 of the U.S. Internal Revenue Code, under which some taxpayers living abroad may deduct part of their housing expenses, and pay whichever is greater.

However, this minimum could be reduced on a dollar-for-dollar basis by crediting any income taxes paid to a foreign country. The foreign-tax credit is not affected by the Moynihan bill.

In introducing the minimum tax bill, which was co-sponsored by Senator John H. Chafee, Republican of Rhode Island, Mr. Moynihan cited 67 major corporations

that paid no corporate taxes and 25,000 individuals with income over \$50,000 who paid no U.S. income tax. In most cases, Americans living abroad paid income taxes in the countries where they resided or did business.

Mr. Moynihan called on Congress to restore "the basic principle of fairness, the basic democratic ethos of sharing the burdens as well as the bounties of the American polity."



Daniel Patrick Moynihan

## Police in U.S. Turning To More Powerful Arms

The Associated Press

NEW YORK — Philadelphia police used a wide range of weapons, from powerful water cannons to a plastic explosive that started a fire that burned nearly 60 homes, in their attempt to remove members of the radical group MOVE from a fortified row house.

The incident illustrates a nationwide trend. As confrontations with drug dealers, terrorists and other heavily armed criminals become more common, police departments are using new kinds of weapons, both lethal and nonlethal.

Police in Los Angeles even have a tank, which they use as a battering ram against criminals' fortified hideouts.

In most police departments, the six-shooter is still standard equipment. But many police departments have replaced the .38-caliber, six-shot revolver with semiautomatic weapons that fire more shots, reload more quickly and are more powerful.

It is generally the smallest of the nation's 19,000 police and sheriff's departments that are first to adopt new weaponry because they can make changes with less expense, according to Leslie Dees, president of the Police Marksmanship Association, an organization of policemen who are gun enthusiasts.

Another reason, Mr. Dees said, is that the smaller departments "are the ones where the Green Beret goes back and becomes the man in charge of the police department because he's the expert." Green Berets are members of the U.S. Army Special Forces, an elite unit trained in the use of special weapons and tactics.

"We see that," said Robert Haas, a spokesman for Smith & Wesson, a gun manufacturer. "The guys who were in Vietnam are much more concerned about their weapons than older officers."

Leo A. Brooks, 52, Philadelphia's managing director and the man who coordinated Monday's daylong siege against the MOVE stronghold, is a retired major general who saw two tours of duty in Vietnam.

There are reasons for using new weapons other than the simple fact that they are available or because officers are intrigued by high technology. Reasons contributing to

such a decision are many, including the following:

• In New Jersey, the 1981 slaying of a state trooper, Philip LaMonaco, in a gun battle led the department to replace 2,500 .357-caliber Smith & Wesson six-shooters with 9mm semiautomatic weapons made by Heckler & Koch.

The new weapons carry nine bullets and reload three times as quickly as the old ones, according to Captain Joseph Kobus, a spokesman for the department.

• In Chicago, the Hostage, Barricade and Terrorist Incident Team was having a tough time maneuvering with their 12-gauge shotguns and 30-06 rifles, said John Gavin, an officer in the Uniform Equipment Standards section.

"We looked for an intermediate assault weapon for going up small stairways in crowded apartment houses," he said. They chose a 223-caliber rifle with a collapsible stock.

• In New York, where police killed an emotionally disturbed woman in an eviction proceeding last year, the search is on for nonlethal weapons. The Emergency Services squad has purchased several stun guns called tasers and is experimenting with a type that attaches to poles, said Inspector Raymond Abruzzi, commanding officer of the squad.

Tasers shoot electrically charged darts that cause a loss of muscle control. Stun guns are similar in effect, but the pocket-size weapons must touch a person directly.

Five police officers have been indicted in New York on charges of using stun guns to torture suspects, but stun guns were not issued to them from the department. They were not members of Inspector Abruzzi's squad.

Robert B. Oakley, director of the Office for Counter-Terrorism, said the program was similar to military exercises that test the ability of U.S. forces to respond to emergencies.

"A visiting team simulates a hijacking, a bombing or an assault on the embassy," Mr. Oakley said in testimony prepared for a Senate hearing. "This program, which began in 1983, will test the capabilities of about two dozen of our embassies in high-threat areas during 1985." He did not identify the embassies.

Mr. Oakley testified on the third and final day of hearings on international terrorism. The Senate Judiciary and Foreign Relations committees conducted the sessions together.

## U.S. Conducting Simulated Raids On Its Embassies

The Associated Press

WASHINGTON — The Reagan administration is conducting simulated terrorist attacks on the most vulnerable U.S. embassies to test their ability to handle future crises, a State Department official revealed Wednesday.

Robert B. Oakley, director of the Office for Counter-Terrorism, said the program was similar to military exercises that test the ability of U.S. forces to respond to emergencies.

"A visiting team simulates a hijacking, a bombing or an assault on the embassy," Mr. Oakley said in testimony prepared for a Senate hearing. "This program, which began in 1983, will test the capabilities of about two dozen of our embassies in high-threat areas during 1985." He did not identify the embassies.

Mr. Oakley testified on the third and final day of hearings on international terrorism. The Senate Judiciary and Foreign Relations committees conducted the sessions together.

Mr. Oakley testified on the third and final day of hearings on international terrorism. The Senate Judiciary and Foreign Relations committees conducted the sessions together.

Mr. Oakley testified on the third and final day of hearings on international terrorism. The Senate Judiciary and Foreign Relations committees conducted the sessions together.

## Anti-Thatcher Right Gaining Ground

By Karen DeYoung

WASHINGTON — Unease within the Conservative Party over Prime Minister Margaret Thatcher's hardline economic policies continues to grow, keeping pace with increases in the unemployment rate and the opposition's standing in polls.

The latest attack from within Mrs. Thatcher's party, following her poor showing in county elections May 2, was the formation of a splinter group, called Conservative Center Forward, by 32 Conservative members of Parliament.

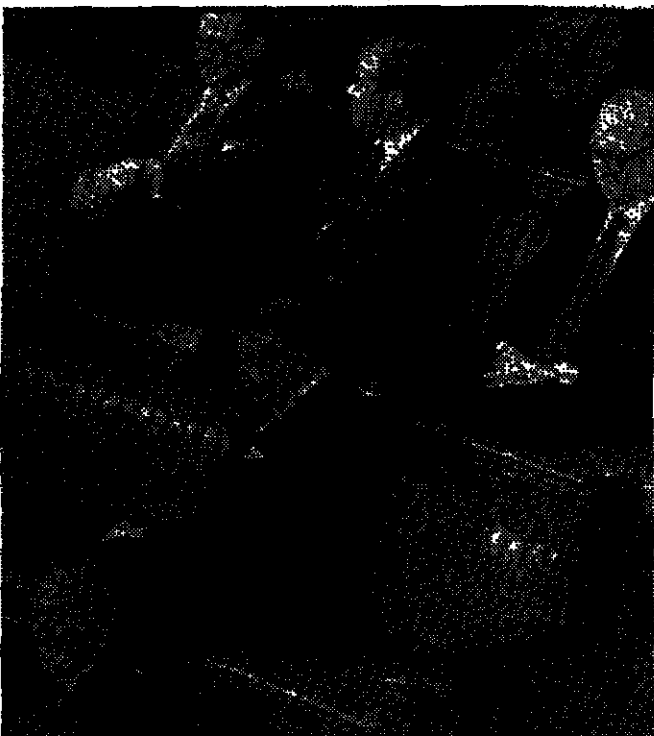
In a speech Tuesday at Oxford University, Francis Pym, the former foreign minister and chairman of the splinter group, said Mrs. Thatcher's government had "imprisoned itself in an ideological strait-jacket."

He accused it of "throwing the baby out with the bath water" in its zeal to overturn the 1970s policies of the Labor Party. Noting that unemployment has nearly tripled since Mrs. Thatcher took office in 1979, he said the country's economic recovery "literally does not exist" for most Britons.

Members of Conservative Center Forward have called for increased public spending and an "industrial strategy" that allows for more government intervention in pursuit of jobs and higher competitiveness for British industry. All these are anathema to Mrs. Thatcher's free-market, private-enterprise policies.

Such outspoken dissent is normally the province of the Labor Party, with militant leftists frequently differing with the party's more subdued center-left. Mr. Pym tempered his remarks with opening and closing statements that members of his group were not "disloyal" and disagreed not with Mrs. Thatcher's objectives but with her strategy.

Mrs. Thatcher has appeared undeterred by opposition from outside the party, and she and her



Francis Pym, the former British Foreign Secretary, sat by himself as he awaited a speech by Queen Elizabeth II.

spokesmen have tended to respond to internal dissent by ridiculing or ignoring it. Asked Tuesday in Parliament to repudiate the new group, Mrs. Thatcher quoted one line from Mr. Pym calling the Labor Party "anti-democratic" and said she "heartily agreed."

Mr. Pym and most other members of his group are well-known "wets," or members of the party's moderate wing in Parliament. The public nature of their criticism has raised the stakes of the challenge, and coincides with the increasingly negative aspect of a number of other indicators.

Chief among them is unemployment, now at about 13.5 percent of the work force. According to the

Gallup Poll's April Political Index, 80 percent of Britons consider unemployment the country's most urgent problem, and a large number of those polled said Labor was best able to deal with it.

Only 38 percent said they were satisfied with Mrs. Thatcher as prime minister. As have other recent surveys, the Gallup Poll showed voting support for Labor to be several points higher than for the Conservatives.

But neither the Conservative Center Forward group nor the split opposition appears to be in a position to seriously interfere with Mrs. Thatcher's plans to win a third term in general elections that will be held by the fall of 1988.

## Philippines Arrests 5 Rights Lawyers

By Steve Lohr

MANILA — Several human rights lawyers have been arrested recently, and attorneys' groups and opposition politicians say that President Ferdinand E. Marcos's government is trying to intimidate rights lawyers and frighten opponents.

Five human rights lawyers have been arrested and detained by the military in the past two weeks. All are members of the Free Legal Assistance Group, an organization of 290 lawyers throughout the Philippines who handle human rights and national security cases.

The lawyers in the group typically defend clients against the government and the military. They are often some of the most outspoken members of the political opposition in their local regions.

"These arrests are politically motivated," said Homobono Adaza, an opposition member of the national assembly from the southern island of Mindanao. "The government is trying to dismantle the legal apparatus of the opposition."

A human rights lawyer, Marcos Rionar Jr., was arrested Monday in Davao, the largest city of Mindanao, the southern Philippines island where the Communist New People's Army has its stronghold.

Two other members of the Free Legal Assistance Group, Laurente Ilagan and Antonio Arellano, were arrested Friday in Davao. Romeo

Astudillo and Alberto Benesa, two lawyers from the legal group in Abra Province on the main island of Luzon, were taken into military custody two weeks ago.

The lawyers have been arrested on the authority of so-called preventive detention actions. A preventive detention action allows the military to arrest a person without an application to civilian authorities, with Mr. Marcos's approval. It is determined that an individual would "endanger public order and safety as well as the stability of the state before proper warrant could be obtained."

The detained lawyers have not yet been shown the charges or detention actions authorizing their arrests, according to lawyers from the legal assistance group.

"Marcos can do whatever he wants and he has decided to crack down on human rights lawyers," said Joker Arroyo, chairman of the Human Rights Committee of the Free Legal Assistance Group. "The government is instilling fear in those who oppose it."

The plight of the lawyers has alarmed a U.S. legal group, which monitors developments in the Philippines.

"This systematic harassment of lawyers dealing with human rights cases is very disturbing to us," said Diane Orentlicher, deputy director of the Lawyers Committee for International Human Rights.

The government has essentially

contended that those arrested were engaged in subversion or aiding subversives. Little has been said officially about the two lawyers in Abra, but the Philippine constabulary in Mindanao did issue a press release explaining the detention of Mr. Ilagan.

In the press statement, the military said that Mr. Ilagan had "late" been engaged in human rights lawyering for suspected persons detained for subversion, rebellion and other charges; and that his arrest was "long overdue."

Mr. Ilagan is the Mindanao chairman of a leftist opposition group called Bayan. It led a general strike for two days this month on Mindanao. The strike brought normal travel and business to a standstill on much of the island.

The two arrested in Abra were the only human rights lawyers in the area.

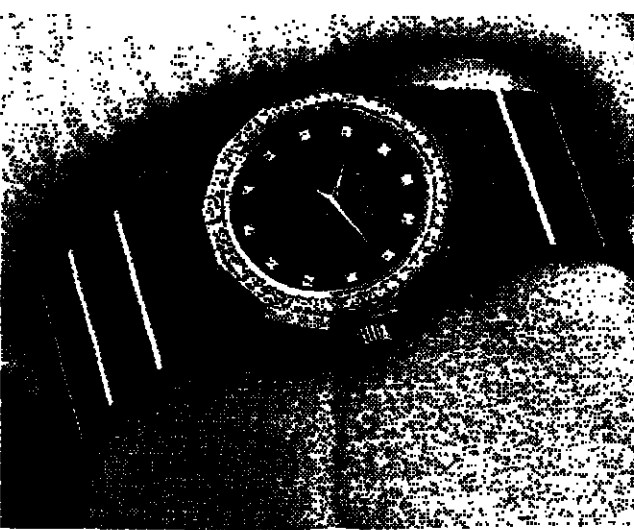
"So now the military has a free hand in Abra," said Maria Socorro Diokno, administrator of the Free Legal Assistance Group.

Baldridge Mission to India

The Associated Press

NEW DELHI — The U.S. commerce secretary, Malcolm Baldrige, arrived here Wednesday from China on a major visit to promote trade, investment and the transfer of high technology. He said that liberalized policies had made India more attractive to U.S. business.

## CONCORD MARINER SG



Concord Mariner. For her, 18 karat gold, black chromium stainless steel, diamonds. Quartz. Water-resistant. An art carried to perfection in Swiss watches.

## FRED

Fred: 6, rue Royale - 75008 Paris  
Le Claridge, 74, Champs Elysees - 75008 Paris  
Hôtel Meridien, Bd Gouvion St-Cyr - 75017 Paris  
Hôtel Loews - Monte Carlo  
La Croisette - Cannes  
Aéroport d'Orly



TREAT YOUR CLIENTS TO A NEW LOBBY, NEW LOUNGE, NEW (AND VERY BRITISH) RESTAURANT, AND NEW ROOMS ON NEW EXECUTIVE FLOORS, AT A GRAND OLD ADDRESS.

For reservations, call your Travel Agent, any Hilton International Hotel or Hilton Reservation Service in Copenhagen, Frankfurt, London, Madrid, Milan, Oslo, Paris or Stockholm.

LONDON HILTON ON PARK LANE  
WHERE THE WORLD IS AT HOME



# INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

## Carry On With SALT-2

In kinder times, there would be no question but that the United States would decide without much fuss to keep in force the terms of an old, admittedly imperfect arms control agreement while working on a new and supposedly better one. For the Reagan administration, however, it is a tough question whether to continue respecting the never ratified SALT-2 treaty, which the president at first pronounced "fatally flawed" but later reluctantly agreed not to undercut so long as Moscow did not undercut it either. The date at which the treaty would have expired is coming up, and even sooner the United States must decide whether to retire some old missiles in order to make room for new ones under the SALT-2 lid.

Within the administration a range of opinion is evident. Important figures on the political side continue to regard SALT-2 as a symbol of the failure of past arms control accords to do more to strengthen American security and as a damaging restraint on American arms-building programs. That the Soviets say they can still live with SALT-2 is taken as evidence that the restraints are not too tough enough. It is suggested that breaking out of SALT-2, far from complicating the Geneva talks, would give Moscow added incentive to consider the proposals Washington is making there. Anyway, why should the United States honor an agreement when many questions about Soviet compliance are still hanging?

Elsewhere in the administration, including on its military side, there is another emphasis. There is, for instance, a disposition to believe that the Soviets are considerably better placed to deploy threatening new weapons than is the United States without SALT-2. To understand why, you need merely look at the bedraggled history of the MX. Military officials can identify no good military reason to go past the SALT limits. Diplomats worry how American allies would react to the spectacle of an American breakout. Many observers feel that Congress would react sharply to that spectacle by taking new budget hostages. The best cure for the flaws in past restraints and verification standards, many of these officials feel, is progress in Geneva — something arguably more likely to come in an atmosphere undisturbed by the detonation of SALT-2.

Liberal arms controllers argue that the very process of arms control is as important as the product — the agreements, which so far have turned out to be pretty thin. At this late date, however, no one can really think that President Reagan is going to change spots and adopt this sort of questionable reasoning.

Nor is it necessary for him to do so. In his own administration, among people devoted to his conservative principles, there is comfortable support for continuing to observe the terms of SALT-2. He should do it.

—THE WASHINGTON POST.

## Helms vs. Birth Control

Senator Jesse Helms and his supporters are continuing their fight to dismantle U.S. aid for birth control programs in developing countries. Senator Helms has attached a crippling amendment to the foreign aid bill now being considered on the Senate floor and may try to add even more destructive language.

Obviously the Helms amendment is intended only to prevent U.S. money from being used for coerced abortion and infanticide in China — alarming reports of such practices have been widely circulated — and this is an objective with which no one would quarrel. But the fact is that, under current law, no U.S. money now supports such activities either directly or indirectly. The Helms amendment is thus unnecessary for its stated objective.

It is also dangerous. It would prevent any U.S. money from being used, either directly or indirectly, in any country that "permits, officially or in practice, infanticide or coerced abortion," or by any organization that gives any kind of direct or indirect aid to such country. Senator Helms states in a draft report that the language is deliberately "very broad" so that aid may be cut off not only to China but also to any other country in which the forbidden practices might be suspected, even if they were without official sanction.

Since infanticide is a tragic occurrence in nearly every country of the world, including

the United States, a rigorous application of the amendment obviously could serve to terminate all birth control aid. The most direct casualty of this amendment would be U.S. assistance to the useful and well-accepted United Nations birth control programs. The United Nations includes China among its aid recipients. However, contrary to recently published allegations, UN money is narrowly confined to stated purposes and no UN money has ever been used for abortion, whether voluntary or coerced, much less for infanticide.

Senators who are rightly concerned that U.S. money not be misused do not have to rely on birth control advocacy groups for this assurance. The Reagan administration's own Agency for International Development has repeatedly investigated UN programs and reaffirmed that they conform to long-standing U.S. policy against aiding even voluntary abortions. The most recent report, issued only two months ago, once again gave the United Nations a clean bill of health. Of course, the United States should use all its moral suasion to press for stronger action by the Chinese government against coercive practices. But senators should remember that voluntary family planning programs are the best-proven and most humane way to reduce resort to the age-old practices of abortion and infanticide.

—THE WASHINGTON POST.

## Private Bank Insurance

Only a few weeks ago Ohio's privately insured savings and loan associations bucked under a wave of scandal and depositor panic. Now Maryland's privately insured thrift institutions are under severe strain due to large withdrawals of deposits. Two of these institutions have been taken over by the conservators of the insurance fund but others are in jeopardy and looking for federal help.

Nothing that has happened in Ohio or Maryland puts federal insured bank deposits at risk. But the federal government's concern is certainly justified. The two crises suggest that private insurance offers inadequate protection to depositors and poses a threat to America's national banking system.

Congress should insist that privately insured thrifts switch to federal insurance or, if they cannot qualify, close up shop.

In Maryland — and also in Massachusetts, Pennsylvania, North Carolina and Ohio — state-chartered savings and loans have been able to avoid tighter federal regulation of lending and higher federal insurance premiums by joining private insurance pools. When two such Maryland thrifts were about to default on obligations last week, the insurer stepped in.

The Maryland Savings Share Insurance Corporation could probably have covered the losses of the two, but if others also get into deeper trouble the fund might run short. If that should happen, the Maryland Legislature would have to decide whether to make good on the insurance fund's unpaid debts or leave depositors to lose some of their money. Surely

the state bears some responsibility to depositors who had reason to believe that state regulators would protect them.

That is not, however, the end of the matter, as uneasiness in North Carolina shows. The line between a state's private insurance system and federally insured systems elsewhere is not a reliable barrier against losses of confidence. When Ohio's private system went belly up, depositors in nearby federally insured Ohio banks were sophisticated enough to understand that their money remained safe. But the Ohio crisis triggered an abrupt decline in the value of the dollar overseas. How foreigners — or Americans — would react to more bad news from Maryland is not known. But a world financial system already buffeted by explosive movements of capital would surely be better off if it avoided gratuitous strains.

The prudent course would be for Congress to set a timetable for ending all private deposit insurance systems. Even federal insurance is no panacea. Many federally insured savings and loan institutions are in weak financial condition — and getting weaker. Regulatory reforms to prevent their managers from betting the store on speculative loans and investments are overdue.

But federally insured thrifts, however serious their problems, at least have the benefit of Congress's determination — and capacity — to guarantee their deposits. That cannot be said for deposits in the still privately insured offshoots of the thrift industry.

—THE NEW YORK TIMES.



## The CIA in Beirut: Less Than Extreme Caution

By Joseph Kraft

WASHINGTON — The latest front-page appearance of the CIA provides one more piece of irrefutable evidence that the United States should engage in ambitious covert operations only with the utmost caution.

Even if the agency were absolutely first-class in such matters, which it is not, the nature of American society makes exposure of failure practically certain. When that occurs, American agents become subject to retaliation and a precious resource of national security, the whole intelligence community, gets a black eye.

Terrorism in Lebanon provides the background to the most recent fiasco. As that country began to disintegrate in factional warfare last year, Americans on the spot became increasingly subject to violent incidents, ranging from threats through kidnapping to car bomb attacks on the U.S. Embassy and the marine headquarters in Beirut. Several top officials — including Secretary of State George Shultz, CIA Director William Casey and National Security Adviser Robert McFarlane — came to the conclusion the United States should develop, if only to protect its agents, a covert capacity to penetrate and pre-empt action by anti-American terrorist organizations.

At the end of 1984 Mr. Reagan signed the order authorizing such action. His decision was cleared with the chairman and vice chairman of the House and Senate intelligence committees. With those mandates, the CIA began to develop a covert counterintelligence capability in cooperation with the intelligence arm of the government of President Amin Gemayel. But the Lebanese regime is more a faction among factions than a central government.

After receiving American training in counterterrorism, Lebanese intelligence agents went into business for themselves. On March 8 they tried to wipe out Mohammed Hussein Fadlallah, the leader of an extremist Shiite group thought to be responsible for terrorist attacks against Americans in Lebanon.

A powerful bomb was exploded near his home in the outskirts of Beirut. Some 80 people were killed by the explosion, but not Mr. Fadlallah. The story of that fiasco leaked. An account was published in The Washington Post of

*It is naïve to the point of criminal stupidity to suppose that large-scale operations can long be kept secret if they fail.*

May 12. Even before the story was out, various parties began running for cover.

Some officials in the CIA claimed they had always insisted that the operation be limited to fact-gathering, because anti-terrorist operations were too dangerous. The CIA itself put out a statement saying it had "no foreknowledge of the bombing incident." The agency disclaimed "any training of Lebanese security forces" involved in the March 8 incident.

Other intelligence operatives blamed Congress for leaking the story, and the press for publishing it. They asserted that vengeance would now be wreaked on American agents in Lebanon. Patrick Leahy of Vermont, the new Democratic vice chairman of the Senate Intelligence Committee, indicated that he wanted to put some questions — as if he were not bound by the actions of the previous vice chairman.

Second-guessing failure is nearly as odious as

## Writers in Politics: To Succeed, Just Stay at the Desk and Write

By William Pfaff

PARIS — The Mexican writer Carlos Fuentes has said that a writer in his country "cannot afford the luxury of being a pure artist, he must simultaneously be a teacher to the illiterate and a lawyer for the downtrodden." Whatever the merits of this argument in the poor countries — where it would seem to enjoin all privileged persons, not artists alone — it has an extreme power of attraction for artists and intellectuals in the rich countries.

The call to activism appeals to the idealism of intellectuals, but also seems to offer a solution to their sense of alienation — of isolation from the real forces at work in the world.

A Polish poet and essayist, Stanislaw Baranczak, said recently that the close collaboration of Polish intellectuals and artists with workers in the Solidarity movement since 1980 has provided, for them, "a unique moment." One might parenthetically observe that Marxism thus at last delivers on its promise to cure the alienation of intellectuals: It has forced them into a selfless civic cooperation to resist the political regime inspired by Marxism.

Speaking to a meeting organized at Skidmore College in Saratoga Springs, New York, to observe the 20th anniversary of the American quarterly Salinas, Mr. Baranczak made a second observation that significantly modifies the first. What has happened in Poland since 1980, he said, has enabled Polish intellectuals to atone for their conduct before and just after World War II. A great many of them had then been enthusiasts for Marxism and apologists for the Communists. They contributed more than their share to the tyranny imposed on the Poles as the Communists were consolidating their power after 1945.

He also said that despite the intensity and value of the work he did with Solidarity, it was a relief finally to return to his own proper work,

his writing. This seems to me to be a key observation, lost in too much of the discussion that writers and professors have among themselves about commitment, political engagement and their role in the public world.

They in fact possess no special political qualifications. When the intellectual takes up a political role, he does so on the politician's terms, not his own. A political party or movement may be able to use him as propagandist, analyst or tactician but it cannot use him as poet, scholar or novelist without subverting the art or scholarship. There is dreary evidence of

*The argument has been made that Marxism itself is really the means by which the intellectual revolutionary puts down his rival, the working-class rebel.*

this in all the "committed" but largely worthless literature produced on party lines by Communists and Fascists since the 1920s.

Even the people who more recently have turned themselves into propagandists for liberal (or neo-conservative) governments — whether under the auspices of government agencies or of committees for present and future dangers, and the like — have all paid some cost in damage to their real work. It can be reasonably asked if anything has been gained in proportion to what was lost. Propaganda converts first the propagandist, and he or she is sometimes the principal convert.

Those who become advisers to presidents more often than not find themselves turned into ornaments or instruments. It was flattering to John Kennedy to have Arthur Schlesinger Jr. as court historian, but Professor Schlesinger's advice on such matters as whether or not to invade Cuba was ignored. Henry Kissinger, by career a political analyst, nonetheless did what Richard Nixon decided. One may reasonably ask if much would have been changed had either stayed at Harvard.

The artist or scholar is too often drawn to political action because he lacks confidence in the authority of his trade. He is looking for a cure to his sense of exclusion, obscurity, frustration. When the intellectual says "I must give myself to the people" he is often saying, "I want the people (or the revolution, the government) to give themselves to me, to be led (or advised) by me, giving me the eminence and power my work has failed to provide."

The argument has been made that Marxism itself is really the means by which the intellectual revolutionary puts down his rival for power, the working-class rebel. Marxism says that revolution is a science. You have to be an educated person to understand it, so as to be able to tell the workers what to do.

Power and fame are the spurs, more often than altruism — which is exactly the same as for the politician himself, except that he is more likely to know what he is doing, and what he cannot do, in his hard trade. Intellectuals like to apply abstractions to living society, with the occasional unfortunate consequence such as the Gulag, Pol Pot's killing fields, the camps, the famines produced by improving agricultural techniques in backward societies.

In the end, nonetheless, the politician is nearly always applying someone else's ideas — the innocent slave, as Keynes said, of some long-dead economist or philosopher. The intellectual wins in the end. There is no joy in this for the economist or philosopher, who would have preferred the Nobel Prize and rich consultancies while alive; but it is probably safer that way. The cobble to his last.

© 1985 William Pfaff.

## LETTERS: 'The heart of the matter is not war guilt but Nazi guilt'

### The Seeds of Anti-Semitism

The heart of the matter is not war guilt but Nazi guilt. The Nazi horrors were not accidents or by-products of the war, but the systematic realization of a declared program. Without denying national responsibility, we of course reject the racist notion of a "guilty nation." But differentiation between Nazism and the German nation demands a clear break with the Nazi past. The Bitburg visit has not helped that. It is a pity.

ISTVAN DENES, Budapest.

As an American Jew living in Germany, I am all too aware of the seeds of Nazism buried in the guilt of this great country. The weed is dead but the seeds remain.

MARC ARONOFF, Munich.

In 1984 I voted for Ronald Reagan. His insistence upon visiting the Bitburg military cemetery has left me incredulous.

BARUCH J. HURWICH, Jerusalem.

I was awakened the other day at 4 A.M. by an anonymous telephone call: "Fifteen Jew, you deserve to die. Jew bastard, into the oven," and so on. Perhaps some felt emboldened, emboldened, absolved by a presidential blessing. While stressing "never again" and the need to remember, President Reagan may have conveyed by his very presence at Bitburg that what happened was not so bad after all, that it is all right now, thus encouraging not remembrance but forgetfulness.

JAMES ROSENSTEIN, Paris.

At Dachau, when asked for her reaction to Mr. Reagan's visit, Simone Veil, a survivor of Auschwitz, said, "California is a long way from the real world." (She did not say, as reported, "a long way from Europe.")

MARISA SEIFERT, Augsburg, West Germany.

On May 5 in Bitburg, police at the barrage on the main street, when asked why they were halting authorized demonstrators, replied that they were merely obeying orders.

DAVID SHINAR, Amstelveen, Netherlands.

Europe has a long history of having to fight against Germans, with all the suffering that entails. A lingering feeling remains that there is a streak of bellicosity in the German people that could return again.

CYNTHIA COLE, Monaco.

Students the world over, including Germans, are militant about what pertains them. Do German students agitate for less ambiguous penalties against convicted war criminals?

And why do visiting dignitaries like President Reagan not lay wreaths at the tombs of Germans who resisted Hitler?

ROBERT GREENGARD, Paris.

Who remembers the eight martyred hamlets south of Florence where 581 innocents were slaughtered by members of the Hermann Göring Division in the spring of 1944? Or the hundreds of other communities in the West and the thousands in Eastern Europe and the Soviet Union which suffered the same fate at the hands of Wehrmacht units?

JOHN DAY, Paris.

President Reagan's "I am" sequence at Bitburg was very one-sided. "Never again" does not mean it can't happen again. It is happening in various places in the world today, and not only with Communist inspiration. What about all those oppressive regimes the U.S. government maintains? Further, what sort of peace is there to celebrate after 40 years in a world where both the United States and the Soviet Union continue an arms race that threatens it with total destruction?

ROBERT A. HAGAN, S.J., Rome.

While the Bitburg controversy raged, I read that the Canadian writer Farley Mowat had been barred from entering the United States, apparently because he wrote a book portraying the Soviets in a friendly light. As a Canadian I am beginning to wonder just what sort of values prevail south of our border.

SIMON FOWLER, Marbella, Spain.

Flora Lewis, in "Bitburg, 1985: The Damage Is Done, a Lesson Remains" (April 27), cited Ryszard Kapuscinski's reference to history as a river consisting of deep and permanent currents and of surface flows that appear and disappear. But she does not convincingly discern the deep currents in discussing.

OLAF RAABE, Braunschweig, West Germany.

Americans hated Hitler and a few of his crazy henchmen. The ordinary German soldier and we had quite a few as prisoners of war working on our farms in the South and Midwest — was that to be a clean fighter.

DOOLEY GILCHRIST, San Antonio, Texas.

Allied air raids turned the big cities of Germany into the blazing funeral pyres of more than 800,000 children, women and old men. The Germans are ashamed of the crimes of a mad dictator, but many Americans still justify those harrowing atrocities. Ronald Reagan and Margaret Thatcher should commemorate those victims of madness, too.

HERBERT A. KAMP, Saarbrücken, West Germany.

Born in Berlin in 1931 as the son of a Prussian Jew who fought as an officer in the German army during World War I and whose very existence as a German citizen was de-

stroyed by the Nazis, I consider that the manner in which President Reagan's recent visit to my country has been commented upon by the American press in general and by your newspaper in particular is shameful.

JUSTUS ALENFELD, Kronberg, West Germany.

Do U.S. executioners question their orders when they inject their prisoners with deadly poison or tie them to a chair to be fried?

RUDOLF VOLL, Hong Kong.

It takes a statesman to do certain unpopular things — Sadat's trip to Israel, de Gaulle's declassification of Algeria, Truman's decision to use the atomic bomb. Despite our personal losses in World War II and because of our relationship in the past 40 years, the majority of the American people understand and approve their president's gesture. West Germans have earned it. A national referendum on this subject would bear this out.

EDWARD BEACH CONDON, Marbella, Spain.

The average German dislikes President Reagan and could not care less what graves he walks past. Amid all this anti-German sentiment we may wonder why Germany should stay in an alliance that makes it an unprotected forward position full of weapons controlled by Americans from the safety of SDI-America. If it is still "Woe to the vanquished" after 40 years, then here's to neutralism!

GIGI PERKINSON, Toulouse.

As an American student abroad, I salute President Reagan's gesture at Bitburg as an encouragement to the new generation of Germans, my generation, who have to live with the guilt of their ancestors.

GIGI PERKINSON, Toulouse.

### What Sort of Peace Is This?

While we Americans, with a misplaced sense of self-righteousness, shake our heads over the atrocities committed by the Nazis, it might be recalled that a German government has not been the only one to prepare horrifying technology capable of destroying millions of innocent people. The bulk of the American nation sits idly by or even justifies the deployment of nuclear weapons. A number of these have been placed on the soil of those whom we expect to find continued shame for the slaughter of millions 40 years ago.

MARY TROYCHAK-WALLULIS, Murnhardt, West Germany.

President Reagan's "I am" sequence at Bitburg was very one-sided. "Never again" does not mean it can't happen again. It is happening in various places in the world today, and not only with Communist inspiration. What about all those oppressive regimes the U.S. government maintains? Further, what sort of peace is there to celebrate after 40 years in a world where both the United States and the Soviet Union continue an arms race that threatens it with total destruction?

ROBERT A. HAGAN, S.J., Rome.

While the Bitburg controversy raged, I read that the Canadian writer Farley Mowat had been barred from entering the United States, apparently because he wrote a book portraying the Soviets in a friendly light. As a Canadian I am beginning to wonder just what sort of values prevail south of our border.

SIMON FOWLER, Marbella, Spain.

Flora Lewis, in "Bitburg, 1985: The Damage Is Done, a Lesson Remains" (April 27), cited Ryszard Kapuscinski's reference to history as a river consisting of deep and permanent currents and of surface flows that appear and disappear. But she does not convincingly discern the deep currents in discussing.

Unfortunately, the deep current involved consists of atrocities throughout history, which manifest themselves on the surface, only to submerge and re-emerge in endlessly varying forms. The enormous Nazi atrocities remain within view in the adult memory of still active people. Nevertheless, as surface manifestations of historical atrocities they are downstream of us, and the view upstream does not reveal any neo-Naziism of dimensions sufficient to be a serious future threat.

Other atrocities have since surfaced — terrorism, bad people, Cambodian genocide. Many stem from Marxist rule or activities. Unseemly political bickering over the particular manner of ongoing memorializing of the victims of past atrocities can distract from the priority of efforts to deal with surfaced problems of present and prospective atrocities.

JOHN CRABB, Ferney-Voltaire, France.

Students the world over, including Germans, are militant about what pertains them. Do German students agitate for less ambiguous penalties against convicted war criminals?

CYNTHIA COLE, Monaco.

On May 5 in Bitburg, police at the barrage on the main street, when asked why they were halting authorized demonstrators, replied that they were merely obeying orders.

DAVID SHINAR, Amstelveen, Netherlands.

Europe has a long history of having to fight against Germans, with all the suffering that entails. A lingering feeling remains that there is a streak of bellicosity in the German people that could return again.

CYNTHIA COLE, Monaco.

Students the world over, including Germans, are militant about what pertains them. Do German students agitate for less ambiguous penalties against convicted war criminals?

CYNTHIA COLE, Monaco.

## FROM OUR MAY 16 PAGES, 75 AND 50 YEARS AGO

**1910: A Leader Soon in South Africa**  
JOHANNESBURG — The situation here on the eve of Lord Gladstone's arrival is most interesting. Every colonial Premier is on the way to Cape Town, where they will meet the new Governor-General of South Africa [on May 17]. Lord Gladstone will also meet Lord Selborne, high commissioner for South Africa, and will hold consultations with him in order to familiarize himself with the situation. Mr. John X. Merriman, as the oldest politician in the oldest colony in South Africa, Cape Colony, would in the ordinary course be constitutionally chosen Premier of United South Africa, but the whole country, with the exception of the Orange River Colony and the western portion of Cape Colony, favors the appointment of General Louis Botha on account of the latter's youth and striking personality.

**1935: European Trade Talks Begin**  
BRUSSELS — Fresh attempts to promote the economic unity of Europe were launched when the European Economic Congress opened its third session here [on May 15]. Among the delegates are the former Belgian Premier, Georges Theunis, and Mr. Pierre Fortin, who negotiated the Belgium-United States trade agreement. M. Paul Hymans, Belgian Foreign Minister, delivered the opening speech. Most delegates approve of Andre Briand's proposal in 1930 for a "pan-European customs union," but owing to the present political difficulties it is expected that the congress will content itself with urging that the advanced ground seized by the League of Nations committee of experts in September, 1931, and lost in the subsequent outburst of national tariffs and quotas, be again attempted.

**INTERNATIONAL HERALD TRIBUNE**  
JOHN HAY WHITNEY, Chairman 1958-1982

KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER  
Co-Chairmen

LEE W. HUBNER, Publisher  
Executive Editor: RENÉ BONDY  
Editor: ALAIN LECOUR  
Deputy Editor: RICHARD H. MORGAN  
Deputy Editor: STEPHAN W. CONWAY  
Associate Editor: FRANCIS DESMAISONS  
Director of Circulation: ROLF D. KRANER  
Director of Advertising Sales: ROLF D. KRANER

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine, France. Tel.: (1) 747-1265. Telex: 612718 (Herald), Cables Herald Paris. ISSN: 0294-8057.

Director de la publication: Walter H. Thayer.

Asia Headquarters, 24-34 Hennessy Rd., Hong Kong. Tel. 5-285618. Telex 61170.

Managing Dir. U.K.: Robin Macdonald, 65 Long Acre, London W.C.2. Tel. 236-4802. Telex 262008.

Gen. Mgr.: W. Gernert, W. Luchter, 11, 13, 15, 17, 19, 21, 23, 25, 27, 29, 31, 33, 35, 37, 39, 41, 43, 45, 47, 49, 51, 53, 55, 57, 59, 61, 63, 65, 67, 69, 71, 73, 75, 77, 79, 81, 83, 85, 87, 89, 91, 93, 95, 97, 99, 101, 103, 105, 107, 109, 111, 113, 115, 117, 119, 121, 123, 125, 127, 129, 131, 133, 135, 137, 139, 141, 143, 145, 147, 149, 151, 153, 155, 157, 159, 161, 163, 165, 167, 169, 171, 173, 175, 177, 179, 181, 183, 185, 187, 189, 191, 193, 195, 197, 199, 201, 203, 205, 207, 209, 211, 213, 215, 217, 219, 221, 223, 225, 227, 229, 231, 233, 235, 237, 239, 241, 243, 245, 247, 249, 251, 253, 255, 257, 259, 261, 263, 265, 267, 269, 271, 273, 275, 277, 279, 281, 283, 285, 287, 289, 291, 293, 295, 297, 299, 301, 303, 305, 307, 309, 311, 313, 315, 317, 319, 321, 323, 325, 327, 329, 331, 333, 335, 337, 339, 341, 343, 345, 347, 349, 351, 353, 355, 357, 359, 361, 363, 365, 367, 369, 371, 373, 375, 377, 379, 381, 383, 385, 387, 389, 391, 393, 395, 397, 399, 401, 403, 405, 407, 409, 411, 413, 415, 417, 419, 421, 423, 425, 427, 429, 431, 433, 435, 437, 439, 441, 443, 445, 447, 449, 451, 453, 455, 457, 459, 461, 463, 465, 467, 469, 471, 473, 475, 477, 479, 481, 483, 485, 487, 489, 491, 493, 495, 497, 499, 501, 503, 505, 507, 509, 511, 513, 515, 517, 519, 521, 523, 525, 527, 529, 531, 533, 535, 537, 539, 541, 543, 545, 547, 549, 551, 553, 555, 557, 559, 561, 563, 565, 567, 569, 571, 573, 575, 577, 579, 581, 583, 585, 587, 589, 591, 593, 595, 597, 599, 601, 603, 605, 607, 609, 611, 613, 615, 617, 619, 621, 623, 625, 627, 629, 631, 633, 635, 637, 639, 641, 643, 645, 647, 649, 651, 653, 655, 657, 659, 661, 663, 665, 667, 669, 671, 673, 675, 677, 679, 681, 683, 685, 687, 689, 691, 693, 695, 697, 699, 701, 703, 705, 707, 709, 711, 713, 715, 717, 719, 721, 723, 725, 727, 729, 731, 733, 7



# Jean Dubuffet, Creator of l'Art Brut, Is Dead at 83

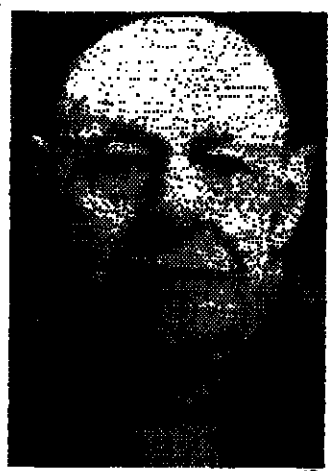
By John Russell  
New York Times Service

NEW YORK — Jean Dubuffet, 83, widely regarded as the most important artist to emerge from France at the end of World War II and a master of French prose, died of emphysema Sunday in Paris.

In recent years, he was the recipient of large-scale sculptural commissions the world over. Mr. Dubuffet had an international reputation as painter, sculptor, printmaker, pioneer of idiosyncratic media of his own devising, collector, controversialist and correspondent. In all of these capacities he was imminently vivacious, pungent and contrary.

It was in October 1944, just after the liberation of Paris, that he had his first solo exhibition at the age of 43. It caused an uproar of a kind that was to become ever more familiar over the next few years.

Mr. Dubuffet was known to many people in the Parisian art world as a dazzling talker, an excellent and extremely contentious wine merchant, and a friend since his school years of some of the more gifted writers of the day. He



Jean Dubuffet

had tried to paint as a young man, but got nowhere and soon gave it up.

Few people knew what his first show would be like, but it was a shock to almost everyone when the work looked — so people said — like the work of a graffitiist, an untamed child or a mental patient.

"Is it art?" people asked, and almost all of them answered "No!"

He had made portraits of some of the more eminent men of letters in Paris and had painted street scenes, subway scenes and landscapes. But he had done these things as if the hierarchies of traditional art had no meaning.

All that mattered to him, as he said later in published writings, was energy, spontaneity, truth to self — and, with them, a spirit of insubordination and imperfection. These things led to a rough and ready, caricatured form of statement that was completely contrary to everything that was expected of a French painter.

In line with this, he ranked the obscure, the self-taught and the clandestine artist higher than the famous and highly priced survivors of an earlier age. He prized work that had never been seen and would never make the conventional grade, and he liked artists who worked for themselves alone, in secret. In time he formed an immense collection of work of this sort, which he gave to the city of Lausanne in 1972.

L'art brut, or art in the raw, was his name for this kind of art, and his advocacy of it was to have a considerable influence on painters

in many countries. Even much of what passes now as neo-expressionism can be traced back to l'art brut in one or another of its forms.

In New York, he had an early and immediate success at the time of his first solo exhibition — at the Pierre Matisse Gallery — in 1947. Fifteen years later a large retrospective exhibition at the Museum of Modern Art confirmed his stature. It also made it clear both that Mr. Dubuffet had the power to renew and redefine himself.

His was an ethic of continual change. "Unless one says goodbye to what one loves," he once wrote, "and unless one travels to completely new territories, one can expect merely a long wearing-away of oneself and an eventual extinction."

Along the way, the scourge of the establishment became the establishment's favorite. In particular his very large black and white sculptures in fiberglass became favorite adult playthings, and his theater piece, "Cocoon Bazaar," had a great success during the run of his retrospective exhibition at the Guggenheim Museum in New York in 1973.

## Luxembourg Greets Pope As 'Pilgrim Of Peace'

Reuters

LUXEMBOURG — Pope John Paul II was welcomed by Luxembourg's head of state on Wednesday as a "tireless pilgrim of peace" when the pope arrived in the country after a turbulent four-day stay in the Netherlands.

In a speech to greet John Paul at Findel airport, Grand Duke Jean also described the pope as the voice of conscience in a troubled world.

John Paul shook hands among the small crowd that had gathered at the airport before traveling to the cathedral of Our Lady of Luxembourg.

At a service attended by the sick, handicapped and aged, the pope recalled Luxembourg's tradition as a bastion of the Roman Catholic faith. Faced with sickness, war, death, destruction and famine, Christians needed to trust in God as never before, he told his listeners.



Pope John Paul II read an address at Luxembourg's airport Wednesday. Grand Duke Jean is at right.

## Spanish Officials Admit Spying on Opposition

By Edward Schumacher  
New York Times Service

MADRID — Spanish officials have acknowledged that a government intelligence agency has infiltrated opposition political parties.

Deputy Prime Minister Alfonso Guerra said Tuesday that the government would conduct a thorough investigation of the spying.

The political espionage, first reported Sunday in El Pais, a leading daily newspaper, has angered opposition parties. The conservative opposition, the Popular Alliance, filed a lawsuit Tuesday demanding a court investigation. The group said that some of its confidential papers were taken.

Interior Ministry officials in the Socialist government of Prime Minister Felipe Gonzalez said that they had moved to curtail the political spying since they uncovered it in 1983. But the officials said that some of the espionage continued.

Mr. Gonzalez, who is attending a disarmament conference in Sweden, has made no comment on the disclosures.

Alberto Elias, head of the intelligence agency, the Interior Brigade, said that the agency has concentrated its attention mainly on extremist, nonparliamentary parties, although he acknowledged that it had collected information on the Popular Alliance as well.

Mr. Elias said that most of the information on the alliance had been filed away "because it did not have any value" and that "very little" had been passed on to the Socialist political appointees who run the Interior Ministry.

Manuel Fraga, president of the alliance, retorted, "It is very difficult to accept that the documents taken from here were not used."

Among the documents that El Pais said had been taken were reports by private consultants on ways to combat the Socialist government and confidential position papers that Interior Ministry officials acknowledged had shown up in the ministry before they were presented to the Spanish parliament.

Although Mr. Fraga calls the case a Spanish "Watergate," he has stopped short of accusing Mr. Gonzalez or other senior officials of running the spy campaign.

In part the case appears to exemplify the holdover independence of the intelligence agencies formed under Franco.

Of the eight agencies, some have been accused in the press of being behind assassinations of Basque separatist leaders and others of collecting information on officials and members of parliament.

The Interior Brigade has about 80 members divided into cells. According to officials, their responsibilities include spying on pacifist groups, Soviet residents and industrialists. The brigade's court-approved wiretaps were key elements in the fraud case that led to the expropriation of the industrial empire of Jose Maria Ruiz Mateos in 1983.

## Envoy Resigns, Criticizes U.S. Policy on Romania

(Continued from Page 1)

Fulbright scholarship and other foundation grants.

Mr. Funderburk said he resigned not for political reasons but out of personal and family considerations and to return to Campbell University in North Carolina to teach government studies. He also plans to write and lecture about Romania.

In a letter accepting his resignation "with deep regret," President Ronald Reagan expressed appreciation for Mr. Funderburk's "efforts to improve the human rights situation in Romania" and commended him for "steadfast support of our national security interests in Europe."

Mr. Funderburk's 1981 Senate confirmation hearing was marked by controversy over statements he had written in a 1978 pamphlet alleging the "missteering of Communism" in U.S. universities and

accusing the State Department of whitewashing human rights reports on Eastern Europe.

He said his views were supported by a majority of the principal officers at the U.S. Embassy in Bucharest.

Accusing the State Department of disavowing dissent in its own ranks, Mr. Funderburk said a handful of embassy officers due for reassignment were being transferred to lesser posts than they deserved in apparent retribution for having challenged policy on Romania.

"Two at the embassy, for instance, were recently moved to out-of-the-way positions back in Washington where they will be out of the limelight," he said. "They have been put in places where they can't step out publicly and where they can be monitored. It looks like a dead end for their careers."

A State Department spokesman, Edward P. Djergian, responding to Mr. Funderburk's allegations, said that under a "long-standing policy" in effect since the 1970s, "constructive and creative dissent is something encouraged by the State Department."

Mr. Funderburk referred to a "network" of administration officials, primarily at the departments of State and Commerce and including some at the Central Intelligence Agency, who, he said, have dismissed or belittled evidence collected by the embassy in Bucharest.

He said the evidence documented Romania's growing economic ties with the Soviet Union, the presence of large numbers of nonmilitary Soviet personnel in the country, the transfer to the Soviet Union of technology Romania has obtained from the West, and Bucharest's position as a major exporter of arms.

Regarding the Soviet presence, Mr. Funderburk said that "our guys observed a large Soviet presence in Romania that was not welcome news to some officials in Washington."

"On our own initiative," he said, "we looked in registries, checked schools, traced license plates and came up with an ungodly number of resident Soviets, including Soviet agents in factories monitoring Romanian exports to the Soviet Union."

"This should have been an indication that Soviet-Romanian cooperation is closer than had been previously reported and a sign that Romania is a more reliable Warsaw Pact partner than is commonly thought. Instead, the information was ignored."

"Much evidence we sent in was

overlooked and ignored," Mr. Funderburk added. "They scrambled to designate a lot of the material we put forward."

U.S. policy toward Romania has been based on the premise that the public displays of independence from Moscow by Mr. Ceausescu, who has ruled Romania since 1965, are a genuine irritant to the Soviet Union and a positive example to other East bloc nations.

Mr. Ceausescu has criticized the Soviet invasions of Czechoslovakia and Afghanistan. His country is the only Warsaw Pact member that refuses to let Soviet troops on its territory for maneuvers and that does not send troops to joint pact training exercises.

He defied the Soviet-led boycott of the Olympic Games in Los Angeles last year, and he has scolded the Soviet Union as well as the United States for raising tensions in Europe over nuclear weapons.

Mr. Funderburk said other Western countries were ahead of the United States in reassessing formerly positive approaches to Romania.

He said he had seen diplomatic reports describing increasingly negative views of Romania among several Western European nations. He said a report by an official of a neutral European country who had visited most East bloc countries recently concluded that Romania ranked worst in observance of human rights and general conditions.

## Grenade Cargo Burns in Norway

Reuters

OSLO — When a military truck carrying more than 2,000 hand grenades caught fire in southern Norway, the driver raced through a village and stopped in an open field before it exploded, police said.

The grenades began going off Tuesday four minutes after he stopped. In the meantime he had halted traffic and shouted for nearby dwellings to be evacuated.

The exploding grenades showered an area 300 yards wide with shrapnel.

## U.S. Still Trying To Set Up Station

The Associated Press

WASHINGTON — The U.S. Information Agency has indicated that it will continue to explore ways of setting up a television station in West Berlin to beam programs into East Germany.

Funds for the proposed station were deleted by the U.S. House of Representatives when it considered the U.S. State Department budget. The Senate has not yet voted on the financing measure.

The agency had wanted to spend \$8 million to build and equip a studio in West Berlin and then let West Germany's Ministry of Internal Affairs run it. The funds had been asked as part of the U.S. Information Agency's request for construction of facilities. The agency said Tuesday that it will continue to explore options for a station.

## Efforts to Eradicate Polio in Americas In 5 Years Announced by Health Group

Los Angeles Times Service

WASHINGTON — The Pan American Health Organization has declared its intention to eradicate polio from the Americas within five years and announced a \$100-million acceleration in its immunization program to achieve that goal. The effort announced Tuesday will be an extension of the organization's Expanded Program on Immunization, established in 1977 to combat six diseases, including polio. Since the program's inception, polio in the Americas has dropped from 4,772 cases in 19 countries to 489 in 11 countries, according to figures released by the organization. In the United States, seven cases were reported last year.

**SKY CHANNEL** BROADCASTING TO CABLE COMPANIES IN EUROPE & THE UK VIA SATELLITE "Europe's Best View"

PROGRAM, THURSDAY 18th MAY	UK TIMES
13.35 HAND MADE IN ISFAHAN	18.00 THE LUCY SHOW
14.30 WAYNE & SHUSTER	18.30 CHARLIE'S ANGELS
15.00 SKY TRAX 1	19.00 SKY TRAX 2
15.45 SKY TRAX 2	20.10 THE UNTOUCHABLES
16.30 SKY TRAX 3	21.05 DAVID CUP TENNIS
17.30 MR ED	22.00 SKY TRAX

SKY CHANNEL TV ADVERTISING SELLS PRODUCTS FAST - FOR MORE INFORMATION, RATES, MARKETING & AUDIENCE DATA CONTACT THE SALES DEPARTMENT SKY CHANNEL, SATELLITE TELEVISION PLC TEL: LONDON (01) 636 4077 TELEFLEX 266643

## Kohl to Meet Silesians, Stroessner

By James M. Markham  
New York Times Service

BONN — A government spokesman said Wednesday that Chancellor Helmut Kohl would go ahead with two controversial encounters, an address to a gathering of Silesian exiles in June and a visit to Bonn in early July by General Alfredo Stroessner, the leader of Paraguay.

The spokesman, Jürgen Sudhoff, said that Mr. Kohl would address the annual meeting of the Silesian Communist Association in Hannover on June 16 despite an article in the official organ that, leaved with anti-Semitic undertones, attacked President Richard von Weizsäcker.

The spokesman said that the "working visit" by General Stroessner, who has ruled his South American nation with an iron hand for 31 years, would "go forward as planned."

During his stay, the 72-year-old Paraguayan strongman is expected to visit his father's birthplace in Bavaria.

Coming after the emotional upsurge over President Ronald Reagan's visit to the Bitburg military cemetery, the two events on the chancellor's calendar have developed the potential for further embarrassing him. His critics maintain that he has a tendency to stumble into difficulties.

In the latest issue of "The Silesian," Martin Jenke, a columnist, took issue with a speech by Mr. von Weizsäcker to the Bundestag on May 8 and said that the president had erroneously saddled Hitler with all the blame for starting World War II.

"For the war agitators Roosevelt, Churchill & Company," wrote Mr. Jenke, "there was no bigger bonanza for stirring up their peoples against a newly strong Germany than the shameful rejection of the Jews in the Third Reich. The Western powers rejected the suggestion made by Reich President Schacht in 1936 that they allow the mass of German Jews to emigrate and to settle with them."

The columnist also contested Mr. von Weizsäcker's assertion that most Germans had been in a position to know about the systematic persecution of the Jews.

The opposition Social Democratic party has called for the cancellation of the Stroessner visit on the ground that the Paraguayan dictator was "an internationally scorned friend and protector of Nazi criminals and drug smugglers."

## Press To Be Admitted To Gandhi Murder Trial

Reuters

NEW DELHI — The judge hearing the Indira Gandhi murder trial announced Wednesday that the proceedings, which resume Friday, would be open to the press. Prison authorities refused Monday to admit reporters to the opening of the trial of Satwant Singh, accused of murdering Prime Minister Gandhi in October, and of two other Sikhs charged with conspiracy to murder.

## Pan Am to Offer Inexpensive Night Flights

Los Angeles Times Service

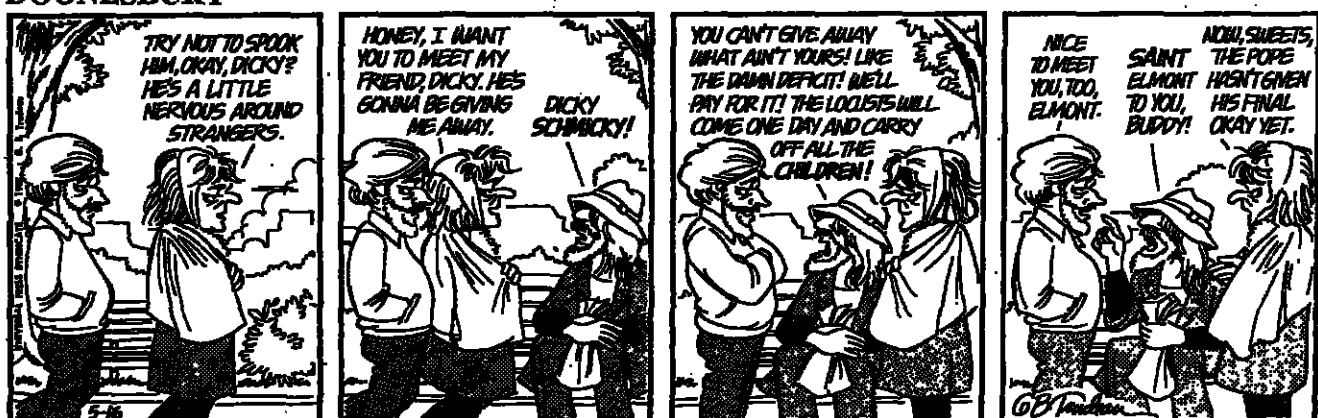
WASHINGTON — In an effort to achieve greater use of its giant A-300 Airbus fleet, Pan American World Airways plans to launch an overnight cargo service that also will carry passengers at greatly reduced prices. C. Edward Acker, chairman and chief executive of the airline's parent company, announced.

The new service, which will allow passengers to fly during the night for 80 percent less than the regular coach fare, will begin this summer, Mr. Acker told shareholders Tuesday at Pan Am's annual meeting here.

Mr. Acker said that fares and routes had not been decided but that cities served would include Los Angeles and Miami. He predicted that revenue would be substantial.

A Pan Am spokesman explained after the annual meeting that the airline's A-300s, which have a very large cargo area, often wait for as much as 14 hours moored at airports, often in the Middle West. With the new service, the planes could be used "at no great incremental cost," he said.

## DOONESBURY



In Jakarta there's a superb hotel that is more like a luxurious country club.

**HOTEL BOROBUDUR INTER-CONTINENTAL**

THE ADVANTAGE IS INTER-CONTINENTAL®

**INTER-CONTINENTAL HOTELS**

Jalan Lapangan Banteng Selatan, (P.O. Box 329), 370108, Tel.: 44156  
For reservations call: Hong Kong: 5-8440311/3, Tokyo: 2150777, Singapore: 2202476, Osaka: 2640666, or call your nearest Inter-Continental sales office.

**ESORTS & GUIDES**

**INTERNATIONAL ESCORT SERVICE**  
USA & WORLDWIDE  
Head office in New York  
330 W. 56th St., N.Y.C. 10019 USA  
212-765-7896  
212-765-7754  
MAJOR CREDIT CARDS AND CHECKS ACCEPTED  
Private Memberships Available  
This award-winning service has been operating since 1959 & is most extensive Escort Service by U.S.A. & International news media including radio and TV.

**USA & TRANSWORLD A-AMERICAN ESCORT SERVICE**  
EVERYWHERE YOU ARE OR GO!  
1-813-921-7946  
Call free from U.S. 1-800-227-0892  
Call from Europe 1-800-227-0892  
Lowell Eastern welcomes you back!

**CAPRICE ESCORT SERVICE**  
IN NEW YORK  
TEL: 212-737 3291.

**LONDON BELGRAVIA**  
Escort Service  
Tel: 736 5877.

**LONDON BEST ESCORT SERVICE**  
TEL: 200 8585

**ESORTS & GUIDES**  
(Continued From Back Page)

**LONDON KENSINGTON**  
Escort Service  
10 KENSINGTON CHURCH ST. W8  
TEL: 937 9136 OR 937 9182  
All major credit cards accepted.

**CLASS ESCORT SERVICE**  
LONDON HEATHROW & GATWICK  
Tel 01 870 0373

**ARISTOCATS**  
London Escort Service  
128 Wigmore St., London W1.  
All major Credit Cards Accepted  
Tel: 437 47 41 / 4742  
12 room - midweek

**LA VENTURA**  
NEW YORK ESCORT SERVICE  
212-888-1644

**TIFFANY**  
LONDON ESCORT SERVICE  
TEL: 385 6290 & 385 1402

**MADRID INT'L**  
ESCORT SERVICE  
TEL: 2464046. CREDIT CARDS

**MAYFAIR CLUB**  
GUIDE SERVICE from Paris  
BOULEVARD (01) 10-244153  
THE HAGUE (01) 70-40 79 96

**LONDON**  
Portman Escort Agency  
67 Chiltern Street,  
London W1M 5BS  
Tel: 486 3724 or 486 1158  
All major credit cards accepted

**ESORTS & GUIDES**  
**ZURICH**  
Switzerland's Escort & Guide Service  
Mads & Fumada. Tel: 01/57 75 96

**LONDON EXECUTIVE ESCORT SERVICE**  
01-229 4794

**\*ELECTRA\***  
MADRID ESCORT SERVICE  
CREDIT CARDS. 250 80 19

**JASMINE**  
AMSTERDAM ESCORT SERVICE  
TEL: 020-366653

**ZURICH-GENEVA**  
Escorters Escort Service  
TEL: 01/363 08 04 - 022/34 81 84

**ZURICH**  
ALBIS ESCORT SERVICE  
TEL: 01/69 55 04 - 47 35 82

**\*AMSTERDAM\***  
SHE Escort Service. 227 637

**PRESTIGE**  
London Escort Service  
Tel: 988 3163 / 0883 3163

**LONDON TOPS**  
ESCORT SERVICE 381 1950

**ROME CLUB EUROPE ESCORT**  
& Guide Service. Tel: 06/58 2604-589  
1146 (from 4 pm to 10 pm)

**BURSELORE-GOLDENHORN**  
English Escort Service 0217/38 31 41

**CHARLINE GENEVA**  
Guide Service. Tel: 253-377

**NEW YORK: RENEE'S Escort Service.**  
Tel: 212-581-1948.

**MADRID SELECTIONS ESCORT SERVICE**  
Tel: 4011507. Credit Cards.

**LONDON: ZOE WEST Escort Agency**  
Tel: 01-579 7556.

**MADRID: AIREA - Europe & Mad**  
escort & hotel services. Tel: 01-52 84 02.

**MADRID: IMPACT escort and guide**  
service. Madrid. Tel: 01-52 84 02.

**LONDON: ZARA ESCORT SERVICE.**  
Tel: 834 7945.

**HEATHROW LONDON ESCORT SERVICE.**  
Tel: 994 6602.

**LONDON: LUCY ESCORT & Guide**  
Service. Tel: 01-373 0271.

**VINNIA: ESCORT AGENCY, Tel: Vinn**  
no 37 52 39.

**LONDON: GABRIELLA ESCORT Ser-**  
vice. Tel: 01-229 6501.

**MUNICH - MONDAY & TANJA Escort**  
Service. Tel: 311 79 00 or 311 79 36.

**DONMIRA, AMSTERDAM ESCORT**  
Guide Service. Tel: 020 76842

**FRANKFURT - JENNY ESCORT & travel**  
agency. Tel: 069/65-7210

**HAMBURG - SABINA Escort Ser-**  
vice. Tel: 040/38 45 35.

**POLAND: ESCORT SERVICE Frankfurt.**  
Tel: 069/63 41 39.

**FRANKFURT "TOP TEN" Escort Ser-**  
vice. 069/39-0132.

**FRANKFURT - ESCORT SERVICE**  
Tel: 069/63 41 39.

**MADRID: ELECTRA ESCORT & Guide**  
Service. Cards. 2209003.

**MUNICH - PRIVATE ESCORT & Guide**  
Service. Tel: 91 23 14

**AMSTERDAM: FOUR ROSES Escort**  
Service. Tel: 020 340110.

**AMSTERDAM: SEANET Escort Service**  
Tel: 020 334203 or 340110.

**BRUSSELS: CHANTAL ESCORT Ser-**  
vice. Tel: 02/520 25 65.

**FRANKFURT - FETVA Escort & Travel**  
Service. Tel: 069/38 45 35.

**FRANKFURT: SONIA ESCORT Ser-**  
vice. Tel: 069-68 34 42.

**MUNICH: SUPREMACY ESCORT Ser-**  
vice. Tel: 089/448038

**HOLLAND: ESCORT SERVICE 020-**  
22725. 03/34330. 0207-3803.

**LONDON: TRULINE ESCORT Ser-**  
vice. Tel: 01-373 0271.

**LONDON: GENIE ESCORT Ser-**  
vice. Tel: 370 7151.



## SCIENCE

## Michigan Inventor's Device Helps Eyes Speak for Paralyzed

By Jane Leary

**E**AST LANSING, Michigan — Her name is Blanche. She lies in bed, as she has since the fall of 1978. She waits for her husband who has not come in two years, for her children who sometimes visit on holidays, for someone to change the television channel.

Today she waits for Martin King, the inventor of a computerized eye-monitoring system that gives voice to people who have no other way to speak.

Mr. King lives a life of chips and diodes, input and output, modems and programs. He is exhilarated by high-speed CMOS integrated circuits, enthralled by EPROMs. He is the new American hero: the computer-nerd-cum-inventor.

"Invention is not how to do something but the perception of need," he said. Blanche's need is clear. Six and a half years ago she entered a hospital for minor back surgery and left a quadriplegic. She can feel but she cannot move, except to nod. She can smile but cannot tell you why.

Her main communication aid is a 4-by-6-inch (10-by-15-centimeter) card cradled in primary colors, with the letters of the alphabet aligned under the numerals 1 through 5. Mr. King reads the numbers and letters aloud. Blanche nods when he reaches the right one.

"One, two, three, four, five," he says. "One, two, three, four, five."

Blanche nods at a four, then an 1, then a T and an H, until slowly, inexorably, she says, "I think of old men being inventors."

Mr. King, who is 35, kneels by her side, holding her hand. He is tall, about 6 foot 4. Kneeling, he can look into her eyes, which is not so much a nicety as a necessity. Blanche says people who know her can read her eyes. Mr. King's device, the Eyescan Communicator, can read her eyes and translate their position into written speech.

Blanche has been testing the device for Mr. King since December. The first time they used it, she broke her glasses. Today they will buy new ones.

Will Mr. King's machine make a

significant difference in Blanche's life?

"Yes," said Blanche, who agreed to be interviewed as long as she was not further identified. "I like to run my mouth all the time."

Mr. King sighed. "You're going to make this funny, aren't you?" he said.

The question was posed again: Will it make a significant difference in her life?

She looked at him, but his head was buried in his hands.

"The bottom line is, 'Who gives a damn while I'm lying here?'" Mr. King said. "Blanche won't tell you that. So I will. Isn't that so, Blanche?"

She nodded vehemently and smiled.

"One, two, three, four, five," Mr. King said. "One, two, three, four, five."

"Let's go get the glasses," Blanche said.

Mary Brady, assistive-device specialist at Pennsylvania Special Education Resource Center, calls Mr. King "typical of the crazy-inventor type."

"I hate that tag, because of all the things it denotes," Mr. King said. "The eccentric guy in the back yard, not directed at reality, a little crazy. You get a picture of Charles Goodyear, who ran around in his rubber clothes for 10 years and tried to convince people rubber was a great thing." He added, later, "I hate it, probably because it's too accurate."

ONE night three years ago he read a novel about the retired don of a Mafia family. "He had a stroke and the only thing he could do was move his eyes," Mr. King said. "I thought, this is really stupid. I could help this guy communicate with a computer that monitors where his eyes are looking while he is looking at a display of characters."

He quit his job and founded Eyescan Inc., gambling that he could find a way to make his idea work. He put \$50,000, all of his savings, into the company. An equal amount had been invested by his mother; his girlfriend, Ritchie Patterson; and her brother, Hugo, the president of Eyescan.

Last fall he became an adjunct specialist at Michigan State University, working with Dr. John Enlenberg, director of the Artificial Language Laboratory. He works 16 to 20 hours a day. Some nights he never leaves the office. Sometimes he struggles with depression.

"It's my life," he said. "I'm 100 percent into it. This is not at all like work to me. It's toying in a certain sense. Going home to sleep is actually a distraction."

For Blanche, Eyescan means a visitor, a touch of the hand. "What she doesn't realize is how the machine will put her in contact with people," Mr. King said. "She hasn't seen that yet."

The device — if it works — will allow her to make phone calls and receive mail to shop, perhaps to hold a job. Mr. King hopes she will be able to do these things by September, which is when he expects to have Eyescan on the market. He hopes to sell it for less than \$2,000. One-fourth the price of the Eyscanner, the only other comparable device available.

Companies in Australia, the Netherlands and Canada, as well as the United States, are working on eye-monitoring systems. Dr. Enlenberg has estimated that a million people worldwide could use a device like Eyescan. Mr. King said there were 20,000 to 50,000 people in the United States for whom eye communication would be the only appropriate technology.

"The population with that particular disability is increasing enormously," says Virginia Stern of the American Association for the Ad-

vancement of Science, because stroke patients, disabled newborns and others with cerebral palsy and Lou Gehrig's disease are all living longer.

The Eyscanner, which has been on the market since December, is a stationary device that requires the user to sit motionless in front of it. But Mark Friedman, who developed the Eyscanner for Sentient Systems Technology Inc. with students from Carnegie-Mellon University, said the company would market a head-mounted device in the fall.

The Eyescan prototype is a pair of black-framed glasses, the right lens fixed with a cylindrical device about the size and shape of a salt shaker. The eye sees a multicolored display composed of seven hexagons, the letters of the alphabet divided among them and grouped around centered dots. In order to produce an A, the eye fixes on the letter, which is blue, and then on the hexagon with the blue dot. An A appears on the screen.

Although it is slower than a direct gaze mechanism, which requires the eye to fix on only one character, it is also more reliable. Mr. King expects users to be able to produce at least 50 characters a minute.

Research in the area is not new. "The military has been increasingly interested in hand-free control, using the eye and the head to operate devices in the environment of the cockpit," said Mary Brady at the Pennsylvania research center. She supervised a Defense Department project involving the development of an electromagnetic head-tracking device for aircraft pilots.

"At the same time, rehabilitation researchers have been interested in eye control," she said, "because with most disabled people it's the last site of bodily control. When everything else goes, what they have left is control of the eye."

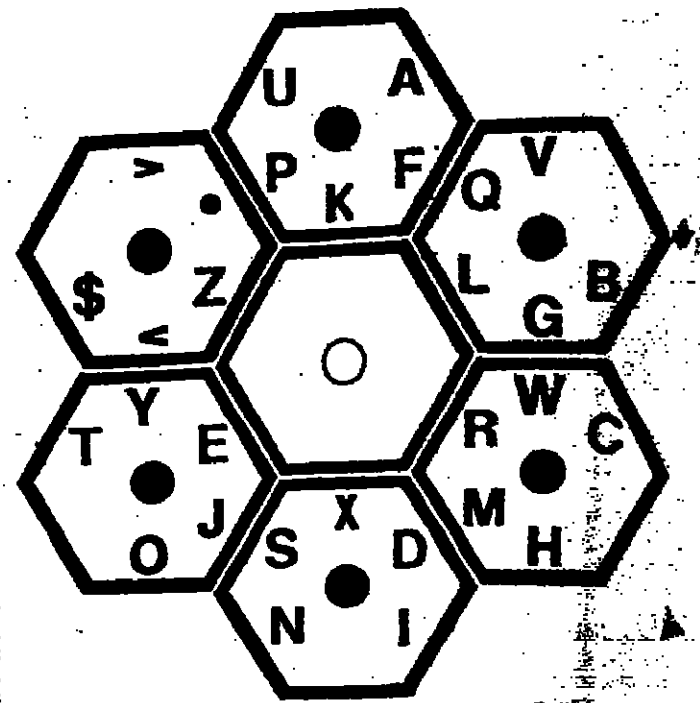
The essence of the invention is a sensor ring within the cylinder, composed of six infrared light-emitting diodes, "which are solid-state light sources like tiny light bulbs, and six photo-transistors that have the ability to sense the light being reflected back from the eye," Mr. King said. "We turn on one of those light bulbs at a time and we look at the reflected intensi-

ty at various positions around that ring. You can imagine if I shine a flashlight in your eye and watch how much light is reflected back, that the light will vary depending on where you are looking from. This change is what we use to measure eye position. The computer processes the reflection."

"The novelty of the technique is that the sensing mechanism is very simple — there is no hardware, no optics, no lenses. The complexity resides in the software. We let the microprocessor do the work."

The device can function as an independent communication aid or can be plugged into a personal computer equipped to perform such tasks as dialing the phone.

Mr. King was working at the Cornell High Energy Synchrotron Source laboratory when he read the book about the Mafia don. His former boss there, Professor Boris Bateman, said: "I think Martin is as close to a genius as I've ever come across. Also, he's crazy. He really is. His mind bubbles more than he can handle."



The character display seen by someone wearing Eyescan.

## Birth of Solar System Called Battle of Planets

By Walter Sullivan

**T**HE inner planets of the solar system appear to have been formed in a planetary Armageddon in which contenders for ultimate survival, some of them three times larger than Mars, repeatedly collided with one another until only one survived in each of the present planetary orbits, according to a newly published analysis.

Dr. George W. Wetherill believes the planets had "lots of brothers and sisters," not much smaller than those of today, which collided to form "trial" planets. "The four we see today," he said, referring to Mercury, Venus, Earth and Mars, "are the survivors."

One of the final collisions, he said, probably increased the spin of Earth sufficiently to throw off material that then consolidated to form the moon.

Dr. Wetherill, director of the department of terrestrial magnetism at the Carnegie Institution of Washington, published his findings in the journal *Science*. His hypothesis is derived from a computer simulation of what probably happened after the solar system began to take shape from a rotating cloud of dust and gas about 4.5 billion years ago.

The analysis took into consideration various factors affecting the formation process, once about 500 bodies, each one-third the size of the moon, had formed in the region around the sun now occupied by Mercury, Venus, Earth and Mars.

Among those factors were the gravitational fields around each object, the frequency of near-hits that would throw the objects into eccentric orbits, and the collisions that might have canceled the eccentricity.

Collisions would have generated enough heat within Earth to melt most, if not all, of its interior. Such melting would have occurred throughout the bombardment, allowing heavy material to sink and form Earth's metallic core.

The calculations assumed that not enough gas was present to affect motions of the objects as they sped past one another. The inner solar system, many scientists believe, was swept clear of gas by a violent "wind" from the sun.

Furthermore, each collision would have driven off most of any planetary atmosphere that had begun to accumulate. Since the impact histories of Earth and Venus were different, this could account for the differences in their atmospheric abundances of inert gases such as argon.

Initially, material destined to form the planets was so uniformly spread around the sun that its mo-

vements were determined by multiple collisions much like those of molecules in a hot gas. By the time this material had formed, few larger bodies, their mutual gravitational attractions would have become a significant factor.

What ensued was a battle royal. By the time the solar system was 10 million years old, Dr. Wetherill believes, the existing planets had acquired 50 percent of their present material; after 100 million years, the process was 99 percent complete. According to the calculations, the planets that survived would have been in orbits very much like those of today.

Age determinations on moon rocks indicate that the last great crashes, enough to produce the lunar sea, did not end until 3.8 billion years ago. By then, however, the bodies were "quite small," Dr. Wetherill said — about 30 miles in diameter.

It may be, he added, that no planet formed in the asteroid belt, beyond the orbit of Mars but inside Jupiter's orbit, because the immense gravitational pull of Jupiter threw much of the material there out of the solar system.

## Women Smokers Victims of Disease Linked to Cancer

United Press International

**L**OS ANGELES — Women who started smoking during World War II are being treated in increasing numbers for a chronic lung disease that has now been linked to cancer, researchers say.

Dr. Dorothy Sexton of the Yale University School of Nursing said Tuesday at the annual American Lung Association meeting that a study of 112 women compared those with chronic obstructive pulmonary disease — a group of disorders usually characterized by "smoker's cough" — to healthy women who did not smoke.

The results showed that women with the disease were more restricted in activity, suffered more from loneliness and depression and felt ill more often, she said.

Emphysema and chronic bronchitis are the most frequently diagnosed forms of the disease, the most common chronic lung disease in the United States. Although it is most often caused by smoking, research also shows it can develop after long exposure to environmental and occupational pollutants.

A report at the meeting by doctors from the Mayo Clinic in Rochester, Minnesota, said the disease was also linked to lung cancer.

## In Between June and July, One Second Will Be Added

The Associated Press

**W**ASHINGTON — Take heed: The 61-second minute is coming.

On the last minute of the last hour of the last day in June, one second will be inserted into the atomic clocks at the U.S. Naval Observatory in Washington and at the National Bureau of Standards in Boulder, Colorado. That minute, that day, that week, this year will be a second longer — all to match

perfectly kept human time to the imperfection of nature.

The standard for clock time is the resonant frequency of the cesium atom. Solar time is based on the Earth's rate of rotation. The two are not always the same.

The official time represents the average of many cesium-beam atomic clocks. The system, says the naval observatory, is accurate to within a billionth of a second per day — "a time-measurement precision equivalent to measuring the distance to the sun to within less than one-tenth of an inch."

But humans, whose timekeeping predates atomic clocks, like to watch the sun and the stars to set their clocks. When a given heavenly body is at the same place tomorrow as it was today, that's one revolution, one day. And Earth cannot be counted on like cesium atoms. Sometimes it speeds up. Mostly it slows down.

The rotation is uniform only to within one-thousandth of a second per day. In the observatory's analogy, that is equivalent to measuring the sun's distance to within about a mile, or 1.6 kilometers.

To get the atomic and solar time standards together, a "leap second" is slipped in every so often. It was done twice in 1972 and has been done once every year since except for 1980 and 1984. The extra second inserted between the end of June and the beginning of July will be the 13th in the series.

In Abu Dhabi  
our hotel is the ultimate  
in luxury for business and relaxation.

ABU DHABI  
INTER-CONTINENTAL  
HOTEL

THE ADVANTAGE IS INTER-CONTINENTAL  
INTER-CONTINENTAL HOTELS

Al Khalidiya Street, Corniche, P.O. Box 4171. Telex: 23160  
For reservations call your nearest Inter-Continental Sales Office.  
There are also superb Inter-Continental Hotels in Al Ain, Amman, Bahrain, Dubai, Muscat, Riyadh, Taif and over 80 cities around the world.

## INTERNATIONAL POSITIONS

Senior Manager  
Operations  
Middle East

Our client, one of the leading banks in the Middle East, with a large domestic branch network, is seeking to appoint a senior operations executive. The successful candidate will assume overall responsibility for all operational aspects of the bank, including the bank's computerisation programme, new opportunities for mechanisation, simplification of methods and procedures and relevant training, as well as work methods and systems in general, both automated and manual, throughout the bank.

A qualified and experienced candidate is sought for this position, for which an attractive tax free salary is offered, coupled with generous fringe benefits. Maturity of personality and width of experience gained in a large banking or similar organisation are key requirements and candidates with these qualifications are invited to submit their Curriculum Vitae, in strict confidence, to the bank's advisor:

Robert Westham, at Jonathan Wren International Ltd,  
170 Bishopsgate, London EC2M 4LX,  
tel: 01-623 1266, telex: 8954673 WRENCO.

London, Sydney

**Jonathan Wren  
International Ltd**  
Banking Consultants

U.S. Tax  
Professional

Arthur Andersen & Co., the international accounting firm, seeks U.S. tax professional in London. Multinational Tax Services Group. Salary level commensurate with background and experience. Applicants must be U.S. qualified CPA or Lawyer with 7-8 years tax experience in corporate tax matters.

Please write with full CV to Carol Webb, Arthur Andersen & Co., 1 Surrey Street, London WC2R 2PS.

**ARTHUR  
ANDERSEN  
& CO.**

amnesty  
international  
seeks a  
RESEARCHER

To work on several countries in the American region including CHILE and VENEZUELA

The work includes investigating human rights in this area, preparing material and advising on initiatives to be taken by Amnesty International in relation to prisoners of conscience, trial procedures and the treatment of prisoners. A specialist knowledge of the region, particularly the political and legal background, is required. The ability to seek out and evaluate information objectively and to communicate fluently orally and in writing in English and Spanish is essential. French would be an advantage.

Salary: \$9,676.20 (index-linked annual increments).  
Closing date June 14, 1985.

For further details contact the Personnel Office, Amnesty International, (left AMR 2), 1 Easton Street, London WC1X 8DJ or telephone (01) 837 3805 (24 hours).

Men's collection

Summer suits:  
unbelievable lightness!

Less than 700 grams (22.4 oz.): that's the total weight of an incredible high-summer suit offered by Lanvin.

The secret of this exceptional lightness is that it is made of terital will woven on authentic silk looms. Another advantage of this fabric is that it does not crease.

It makes an ideal suit for travelling, as it washes just like a shirt; by hand or in a machine, it dries in three hours, and it needs no ironing.

It comes in navy, beige, petrol blue, brown or putty, either in town suit cut or with bush jacket. You can also buy the pants separately.

LANVIN

15, rue du Faubourg Saint-Honoré, 75008 Paris • Tél. 261.14.40  
2, rue Cambon, 75001 Paris

# UNITED ARAB EMIRATES

A SPECIAL ECONOMIC REPORT

THURSDAY, MAY 16, 1985

Page 7

## Historical Developments Provide The Key to Strongest Bond

By Franke Heard-Bey

**ABU DHABI** — The United Arab Emirates is a small country by any standard, with just over 1.2 million inhabitants. In order to appreciate why this apparently fragile federation holds together, it is rewarding to focus on the even smaller political units that constitute this federation.

The seven emirates are not neatly balanced districts, created for administrative purposes. They are political entities that predate the foundation of the federation in December 1971. Each has its own identity rooted in history. The oil revenues of three of the seven emirates have turned some areas of the U.A.E. into cosmopolitan urban centers, while other parts of the country have changed comparatively little over the last two decades.

The historical developments that were responsible for making these seven political entities so very different in size of population and area, however also provide the strongest common bond between them.

Until recently territorial borders did not matter in this corner of the world; what mattered were people. Being herdsmen, pearl-divers, date-growers or traders, they worked mostly within the economic framework of the extended family or the subtribe. They were politically bound together by recognizing the leader of one tribal group as their representative in disputes with other tribes and as mediator and highest legal authority in domestic disputes.

A tribal sheikh attained his position only partly belonging to the family that had traditionally provided the leader. He also had to excel in the virtues expected of him — personal courage, sense of justice, generosity. The history of the seven emirates is full of incidents where entire tribes withdrew their loyalty and attached themselves to

another, particularly charismatic sheikh. His standing was thus greatly enhanced, having acquired not only many more fighting men, but also access to more of the precious few places of economic value, such as oases, natural harbors, markets or grazing areas.

Thus, successive sheikhs of a small but energetic clan of maritime trading Arabs, the Qawasim, managed during the 18th and 19th centuries to attract as their followers almost all the tribes living in the areas now belonging to the emirates of Ras al-Khaimah, Sharjah and Fujairah. Their descendants failed to maintain a grip on these tribes, which live on the coast of the Gulf, the coast of the Indian Ocean or in the most inaccessible valleys of a barren mountain range. Early this century the core of the Qawasim "realm" split up into two parts, Ras al-Khaimah and Sharjah, both ruled by different branches of the Qawasim. On the east coast the tribal leader of the large Sharqiyyin

tribe finally managed to shake off Qasimi domination in 1952, when Fujairah formally became the seventh Trucial State.

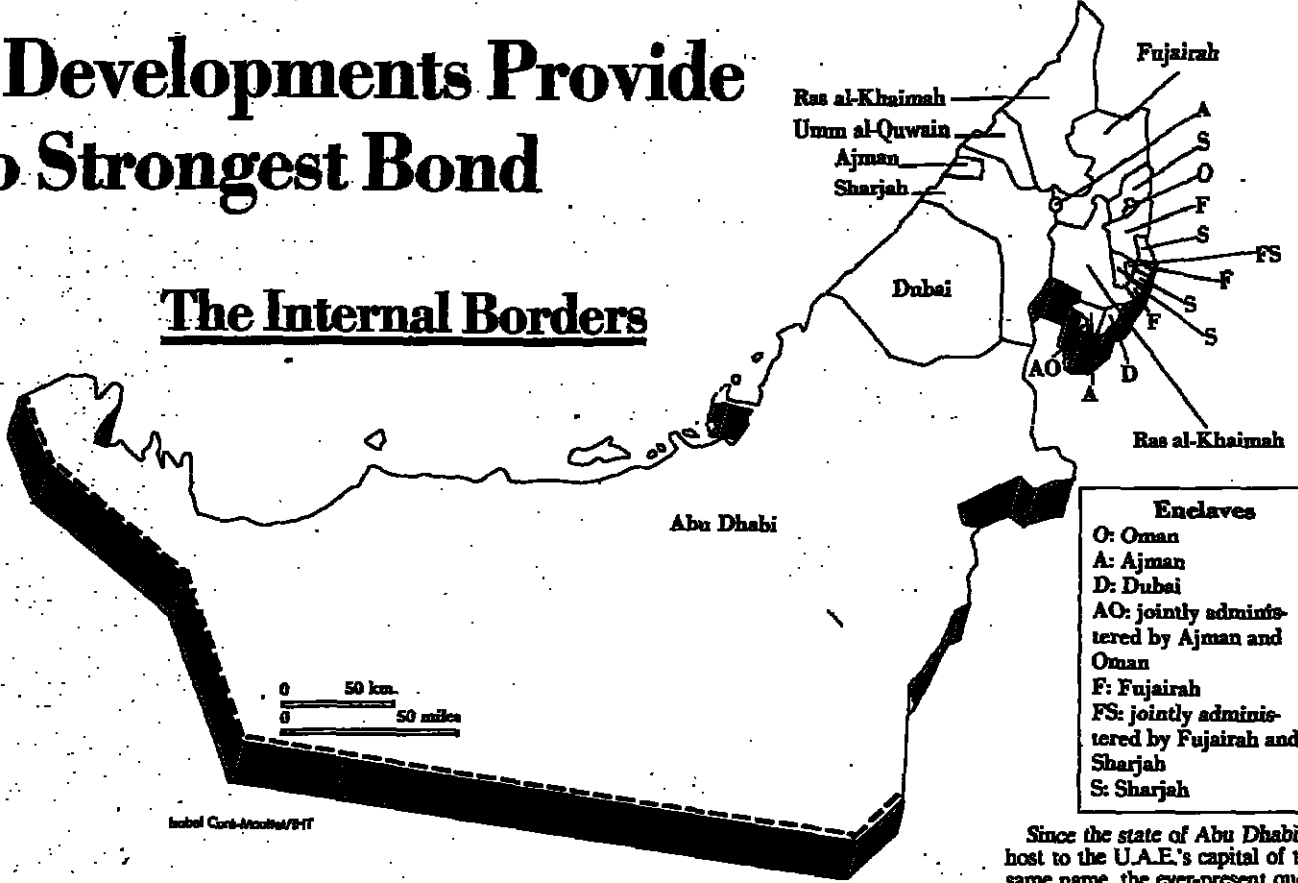
In Abu Dhabi successive sheikhs of the Al Bu Falah, a subtribe of the confederation of Bani Yas tribes, have retained the undisputed leadership of all the tribes living in the sandy desert and along the coast of what is now the territory of the emirate of Abu Dhabi. But in 1833 another subtribe of the Bani Yas, the Al Bu Falasah, seceded from Abu Dhabi and joined other Bani Yas tribesmen in the fishing settlement of Dubai, a move that very soon led to the establishment of the sheikhdom of Dubai under the descendants of Maktum bin Buti, who died in 1852.

Tribal politics and the personal standing of leading sheikhs have been eclipsed by a new political dimension. The London-based Iraq Petroleum Co., an international consortium, obtained concessions in all the then Trucial States from 1938 onwards. As soon as it began exploring for oil in 1946 the delineation of the boundaries of the concessions became all important. Henceforth, politics was no longer only a matter of the loyalty of tribal people, but of possession of square miles of desert with the potential of oil-bearing rock beneath.

Oil was first found in commercial quantities in Abu Dhabi territory in 1960, and in due course that state became one of the foremost exporters of oil and gas in the world.

Today, after two decades of oil-exporting, the population of Abu Dhabi has grown from 47,000 in 1968 to some 520,000 inhabitants of many nationalities in two highly urbanized centers.

### The Internal Borders



Map adapted from "From Trucial States to United Emirates," by Franke Heard-Bey, courtesy of Longman Group Ltd.

## Political Consensus Hurt By Lower Oil Revenues

By Sarah Searight

**ABU DHABI** — The United Arab Emirates is a rich country by any standards, despite the cries of economic hardship from individual emirates. Its dependence on oil and gas revenues, however, has left the economy vulnerable to the fluctuations of world energy prices. Oil revenues have been halved over the last three years and may fall further.

The effect is most strongly felt by the smaller, poorer emirates, whose individual economies have been financed principally by federal spending augmented by the personal generosity of Sheikh Zayed bin Sultan al-Nahayan, the U.A.E.'s president.

Today, with the reduction in federal spending, especially development spending, which was down last year by around 27 percent on 1983's figure, the institutional weaknesses of the federation and the oil rivalries among its members have resurfaced.

The federal budget should run from January to December but for the last two years it has only been approved in midsummer, and 1985 is likely to be the same, both in the timing and in the amounts. In 1984, expenditure was budgeted at 17.2 billion dirhams (\$4.69 billion) and income was around 12.8 billion dirhams; the estimated 4.4-billion dirham deficit was funded by Abu Dhabi and Dubai. Actual expenditure is generally lower than estimated.

All the oil-producing emirates are supposed to contribute half of their oil revenue to the budget, but in practice, only Abu Dhabi and Dubai do so. Abu Dhabi contributes around 80 percent of the total, half its oil revenue of 34.7 billion dirhams, plus its share of the deficit. Dubai's oil revenue is a somewhat mysterious figure because it sells its oil independently but the total is around 13.1 billion dirhams.

Dubai usually withholds some of

its contribution to federal spending. When Abu Dhabi complains, Dubai argues that Abu Dhabi gains most from federal spending, and it also disputes federal military purchases made by Abu Dhabi. Defense absorbs about half of federal budget allocations but the emirates spend without much consultation among one another. In Abu Dhabi's case, such spending includes 18 Mirages bought from France, the building of special shelters for the aircraft and three military schools.

**The institutional weaknesses of the federation and the oil rivalries among its members have resurfaced.**

The Mirage purchase was mainly covered by an oil barter arrangement Abu Dhabi also considers that Sharjah, whose condensate production is now at 60,000 barrels a day, should contribute to the budget. Sharjah replies that this would be possible only if there were more signs of accountability from ministries in Abu Dhabi.

Consensus is not always easy in the U.A.E., and the frequent absences abroad of Sheikh Zayed and the prolonged illness of Sheikh Maktum bin Rashid of Dubai accentuate the impression of a rudeness economy.

Both in the Federal National Council and in the chambers of commerce, local merchants are pressing the authorities for a prompt budget and, above all, the revival of federal development spending. There has also been criticism of the lack of an overall development plan. This stems partly from the fact that outside the fields

of health and education, few federal ministries have effective writ. Federal action, not only in budgetary matters, is generally the result not of ministerial action but of meetings among three or four officials from Dubai and Abu Dhabi. Council members have asked to see a report by an economic committee set up by the president last autumn, in the hopes that this will lead to some kind of activity by the authorities.

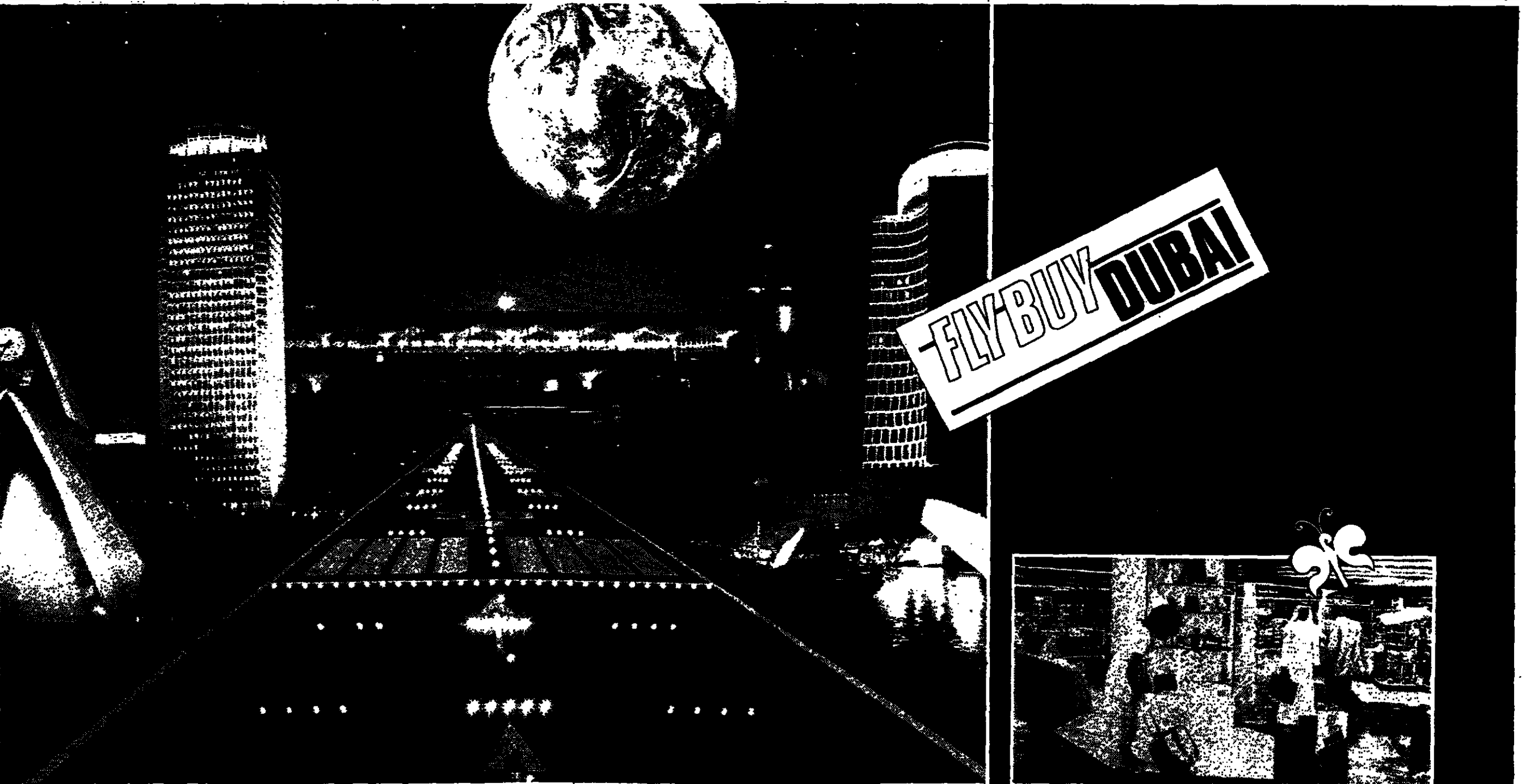
Abu Dhabi's economy often seems in a worse plight than Dubai's because of its greater dependence on oil and gas and the vagaries of the world market. Much of its administrative structure is still finding its feet; it is not easy for so young an economy to deal with a 31-percent fall in revenue since 1980, when many projects that seem extravagant in today's terms were conceived.

Attempts to diversify from hydrocarbons have been unsuccessful, but there are oil reserves to cover 50 years of production at current rates and this output releases a steady flow of dirhams into the local market through oil-serving business.

Last year, the Abu Dhabi government borrowed 1.5 billion dirhams from the National Bank of Abu Dhabi to cover its deficit. The chairman of the bank and of the Abu Dhabi Investment Authority, Mohammed Habroush, recently said that such borrowing would probably be needed for another two years before the winding down of projects leads to a balanced budget.

Meanwhile, the Central Bank is flexing some much-needed federal muscle in the banking sector both in Abu Dhabi and Dubai, taking measures to improve liquidity while making local banks more accountable. None of the banks, except the conservative National Bank of Dubai, which is described as the Dubai government's "treas-

(Continued on Next Page)



Touch down for the world's best value in airport/duty free shopping.

Dubai... Located in the 'centre' of the East-West flight routes, has traditionally been the cross-roads of trade in the Middle East.

Today a modern, progressive city, Dubai offers the world's lowest Duty Free prices at its new, elegant airport shopping complex.

Whether you're visiting or transiting through

Dubai, enjoy a great shopping spree at Dubai International Airport. Choose from our excellent variety of exclusive merchandise including jewellery, perfumes, electronics, cameras, watches, gold, tobacco and much more.

Fly via Dubai and pick up a world of bargains on your way.

مجمع التوق الحرة  
DUBAI INTERNATIONAL AIRPORT  
DUTY FREE SHOPPING COMPLEX



## A SPECIAL REPORT ON THE U.A.E.

## Economic Squeeze Quickens Pace of Mergers in Banking

By Stephen Timewell

LONDON—Early last year talk of mergers and takeovers dominated banking circles in the United Arab Emirates following the collapse of Union Bank of the Middle East. With oil revenues at little more than half the 1980 peak of \$13.6 billion the economy of the federation has changed significantly but the banking sector, which has ballooned during the boom, had not responded to the squeeze.

Bankers readily acknowledged that the country was overbanked and that a country of 1.2 million people did not need over 50 banks. The Central Bank, too, had no doubts about its objective. The governor, Abdul Malik al-Hamari, said on numerous occasions that "we want fewer banks, better quality banks and stronger banks."

The question, however, was how to achieve this aim when the banks were often linked inextricably to family, tribal and emirate ties and a lot more was at stake than just bank assets.

The political and social dimensions of the merger issue have been compounded by the Central Bank's relative inability to enforce certain requirements, but this is changing. As one Dubai banker put it: "You can't have a shotgun wedding in this society; force will not work here. The shareholders simply have to come to grips with the problem."

This year, either through gentle persuasion or the realities of a recession-hit economy, the merger

concept has gained momentum and three bank mergers have taken place over the last four months. In the latest, during April, Abu Dhabi's three commercial banks — Federal Commercial Bank, Khaleej Commercial Bank and Emirates Commercial Bank — combined to form the emirate's second largest bank, the Commercial Bank of Abu Dhabi, with a paid-up capital of \$340 million and assets of nearly \$1.9 billion.

The much-rumored merger of the three commercial banks follows the takeover in January of the small Dubai-based Emirates National Bank by Union Bank of the Middle East, which is now 73-percent owned by the Dubai government. One of the ironies of the changing face of Emirates banking is that UBME is now one of the vehicles for implementing the government strategy; less than two years ago the Dubai government had intervened to prop up the bank when its principal shareholders were Abdul Wahab Galadari's two brothers, Abdul Latif and Abdul Rahim.

In both takeovers the respective banks had run into serious liquidity problems and had major loan portfolio difficulties. UBME is believed to have paid \$400,300 for the Dubai Bank shares but details of the arrangements for both deals are unclear and complicated by the government involvement.

In Abu Dhabi, the local government is expected to inject around \$327 million of new funds into the

new bank's capital and reserves and to provide for the three banks' bad loans. Under the plan the government will take a 60-percent stake in Commercial Bank of Abu Dhabi and the remaining shares divided between the three banks.

The pattern that has emerged this year is that the government or government-owned bank provides the necessary cash injection to make stronger banking units. This seems the only possibility since almost all the prospective merger candidates suffer from the same problems of bad loan portfolios, inadequate liquidity and weak management. A mere merger would only compound the problems.

The Central Bank has been slowly tightening up the system. With the introduction of new regulatory measures in January on bad loans and presentation of balance sheets the structural problems in many of the smaller banks are becoming more evident.

As the economy is unlikely to provide any bonuses or a turnaround for the banks, their deteriorating performance, especially in relation to loans, is expected to lead the smaller institutions into mergers with the bigger state-controlled banks. For many, including some of the 29 foreign banks, a justifiable rationale or market strategy no longer exists, but it seems clear that the authorities are anxious to avoid the outright collapse of even the smallest institution.

## Military Necessity Is Forcing Closer Cooperation

By Robert Bailey

LONDON—The spillover risks from the long-running war between Iran and Iraq have been highlighted by the growing number of attacks on ships in the Gulf by both belligerents in the last 12 months. The atmosphere of violence has given greater legitimacy to the United Arab Emirates' heavy military spending of the last few years. However, such expenditure has proved to be of limited value in building up a viable deterrent to aggression.

The compromises inherent in the fragile makeup of the U.A.E. are reflected in federal policies toward defense questions. On one hand, the dominance and concern of Saudi Arabia to establish a coordinated effort through its leadership of the Gulf Cooperation Council is recognized by the participation of the Abu Dhabi armed forces in the GCC's Peninsula Shield military exercises.

On the other hand, both historical and longer-term considerations are recognized by the maintenance of full

diplomatic relations with Tehran. Most cooperation between the U.A.E. and Iran ended with the fall of the shah and the individual emirates have only small, though concentrated, Shiite Muslim minorities, comprising not much more than 6 or 7 percent of the population.

However, Dubai, despite the Iranian revolution and the war, has maintained a healthy re-export trade with Iran, while Sharjah remains dependent for its oil wealth on Iranian cooperation.

Relations with both its major neighbors in the region, Saudi Arabia and Iran, have been complicated by rivalries among the individual emirates themselves since independence, particularly between Abu Dhabi and Dubai. An example of this occurred in 1978, when the U.A.E. president, Sheikh Zayed bin Sultan al-Nahayan of Abu Dhabi, named his son, Colonel Sultan bin Zayed, as commander in chief of the federation's armed forces without consulting either the federal prime minister, Sheikh Rashid bin Said al-Maktum, the ruler of Dubai, or Sheikh Rashid bin

son, Sheikh Mohammed bin Rashid al-Maktum, the defense minister.

The appointment led to a temporary withdrawal of Dubai's forces from the joint U.A.E. command. But although the old-style family rivalries are never likely to go away entirely, lower oil revenues and the need to acquire increasingly sophisticated defense systems, as well as the threat from Iran, are forcing greater cooperation in security matters.

The U.A.E.'s complicated, expensive and still chaotic search for security started after Britain ended its military role in the Gulf in 1971. Since then, the U.A.E. has maintained one of the highest per-capita defense expenditures in the world. The 1984 budget allocation was 6.25 billion dirhams (\$1.86 billion) for a country with a population of 1.2 million, half of whom are foreign workers. The foreign element is evident in the federation's 43,000-man armed forces, which has a high proportion of recruits from Baluchistan as well as Pakistani, Jordanian and British contracted officers.

## Construction Projects Favor Local Contractors

By Toby Odono

LONDON—The United Arab Emirates has maintained its position as the fifth or sixth largest construction market in the Middle East since 1980. But with the exception of the defense sector most of the contracts awarded tend to be small.

Abu Dhabi, traditionally the richest and the biggest spender of the seven emirates, typified the move away from the large projects of the late 1970s and early 1980s to the smaller projects that are of greater interest to local companies than to the international set.

While Abu Dhabi and Dubai, with their long established source

of revenues from their oil, have slowed down their development programs, Sharjah has taken off and is using the revenues from the Saja gas and condensate field to develop a long-term industrial base. The other four northern emirates — Ras al-Khaimah, Fujairah, Umm al-Quwain and Ajman — are less fortunate and rely heavily on funding from their wealthier partners in federation.

Payment delays and wrangling over emirate contributions continue to plague federal funding. In December 1984 President Sheikh Zayed bin Sultan al-Nahayan set up a committee comprising senior members of the Federal National Council, the appointed parliament, to prepare "a comprehensive economic plan" to deal with the problems caused by falling oil revenues.

The committee had not published its report by the end of April. Payment delays have become so pressing that in the first six months of 1984 about \$500 million was allocated to paying off contractors mainly in the defense sector. A special committee was set up to oversee this but very little of the money has actually been dispersed, contractors say. While some of the more pressing problems of the federal system may be resolved by Sheikh Zayed's committee the more deep-seated problem of the whole federal structure is likely to linger.

"As federal minister, I do not have control over what the other emirates do," said only over Abu Dhabi. "The way the minister of petroleum and mineral resources, Mana Said al-Oteiba, summed up the problem in an interview with the Nicosia-based oil weekly Middle East Economic Survey. One manifestation of this is the U.A.E.'s failure to comply with the reductions in production called for by the Organization of Petroleum Exporting Countries at Gene-

va in October 1984. The Emirates has rarely dropped below producing 1.1 million barrels a day of oil despite a new quota of 930 million barrels a day.

For contractors and consultants alike it is the individual emirate budgets and plans that provide the true reflection of business activity. Abu Dhabi's budget has not been published as this report went to press but all the indications are that it will be much the same as 1984's.

But in Abu Dhabi the larger projects tend to make news these days only when they are postponed or

### Payment delays and wrangling over emirate contributions continue to plague federal funding.

cancelled. In 1984 Abu Dhabi allocated \$5.9 billion for spending. But the major projects expected to go to tender did not. These were the Hodayrat, Sadiyat and Maqra bridges with a combined value of about \$500 million and the \$55-million conference center, which has been bid twice.

But one project that is set to go ahead is the \$100-million construction of hardened shelters at the Dhafra air base. The low bidder for the job is a joint venture of Italy's Bentini Constructors and West Germany's Coutinho, Caro & Co. The concrete shelters will provide protection for the 18 Mirage 2000s on order from France's Avions Marcel Dassault-Breguet Aviation.

The Emirates Telecommunications Corp. (Etisalat) is expected to award design contracts for two new buildings in Abu Dhabi and Dubai during the year. The overall project is managed by Bechtel Corp., of the United States.

Another U.S. company, De Leuw Cather International, is supervising the 8.9-billion-dirham transport and road improvement program, which has provided substantial work for both local and international contractors over the last three or four years.

Apart from the three bridges most of the big jobs have been completed but there are expected to be contracts this year for several road widening jobs in the city.

The oil sector is still a major source of work. Two U.S. giants, Bechtel and Fluor Corp., have managed to monopolize most of the project management side of the programs. But tenders should be going out and awards made for several jobs for offshore enhanced recovery, surface oil-gathering and gas-development projects. The proposed oil pipeline between Abu Dhabi and Fujairah is not considered a commercial venture but may emerge as a Gulf Co-operation Council project, depending on how the war between Iran and Iraq progresses.

With its oil revenues apparently unaffected by OPEC quotas, Dubai continues to improve its infrastructure. In August 1984, South Korea's Keang Nam Enterprises was awarded a \$230-million contract for a sewerage treatment plant and pipeline network.

And after three years of negotiation over the price a contract to draw up a master plan for the emirate was awarded to Greece's Doxides Associates. France's Sogreah was also asked to do a hydrological study for the emirate. Both parts of the work are expected to be completed in two years and should provide ample opportunities in the coming years.

To keep up with the expected growth in activity a second terminal is being built at Dubai airport by the local Dato in joint venture with the U.K.'s Balfour Beatty. The \$30-million contract was awarded in August 1984.

## Political Consensus Hurt by Lower Oil Revenues

(Continued From Previous Page)

sure," is in good shape. In Abu Dhabi, where banks have been hit by the decline in real estate values — rents have fallen by at least 50 percent — three of the local banks have announced plans to merge. Dubai has seen some spectacular tidying up among its banks, and most observers believe this is not yet over.

The recent collapse of Dubai Bank singled the fingers of some reputable international banks, including Citibank, Lloyds International, American Express and Royal Bank of Canada. International confidence in Dubai has been shaken.

But Dubai has some healthy oil revenue to meet its municipal bud-

get and its contribution to the federal budget, and can also put a tidy sum into reserves. Its major projects — Jebel Ali port (now to have a free-trade zone), Dubai Ajlunum, the dry dock and the Trade Center — are managing to hold their own despite recession. Dubai, in particular, has proved itself a low-cost operator, now exporting 40 percent of its product to the United States. Trade is well down on figures before the Iranian revolution, but Dubai's merchants are spreading their wings beyond the region.

Sharjah's revenue from its exports of condensate have enabled it to pay off old debts and recently raise a \$154-million bank loan. Downstream developments are

constantly rumored, mainly because of the flaring of around 400-million cubic feet a day of gas, but these are so far limited to a liquefied petroleum gas project and possible sales to Dubai.

The Ras al-Khaimah emirate has achieved respectable condensate products of around 13,000 barrels a day. There is a limited building boom of villas and palaces but Crown Prince Sheikh Khalid is a cautious person who does not rush into risky ventures. He has been outspoken about the lack of leadership in the federation and would like to see more use being made of the Supreme Council, which is made up of the seven rulers. Officially, it meets very seldom, although the rulers often get together socially.

Other emirates, without oil, pine for the days of federal and Abu Dhabi largesse. Fujairah is trying to capitalize on its strategic position outside the Gulf, but not very successfully; Abu Dhabi National Oil Co. frowns on a projected oil pipeline from Abu Dhabi oil fields to a Fujairah terminal.

Umm al-Quwain does well from its ruler's friendship with Sheikh Zayed and has a quietly prosperous air, without a great deal of activity. Ajman has a bad-debt problem, caused by projects that failed to attract federal funding. It has tried and failed to draw investors from other parts of the Gulf, who in a number of small ways have contributed to the economies of the other nonoil emirates.

## A Political Federation

(Continued From Previous Page)

hindered and into the poorer emirates, bringing long-awaited infrastructure projects and services to the people.

In other ways, however, the inevitable administrative and political centralization in — and, hence, domination by — the capital is anathema to a group of political entities in which each ruler sees himself as the one who has to shape the destiny of his state and of those people whose loyalty he wants to retain.

Therefore, competition between the seven emirates is vigorous, with local authorities keen to explore a multitude of avenues to enhance the economic prospects in their respective states. While there was some experimenting with identical and sometimes uneconomical projects in the 1970s, most local authorities now concentrate on seeing how they can best take advantage of their own particular geographical conditions and natural resources.

Fujairah has quite naturally developed agriculture and fishing along with some small-scale manufacturing and a good new harbor. The emirate could become the U.A.E.'s safe oil-export terminal in the Indian Ocean.

Ras al-Khaimah is a major market garden of the Emirates, and strenuous efforts have been made

to find oil. It also has rock, which is both used locally and exported to other Gulf States.

Ajman has developed its ship-building tradition, and it benefits from its geographical proximity to Sharjah and Dubai, offering relatively cheaper housing to expatriate employees who work in these emirates.

Umm al-Quwain remains a fishing community. Sharjah exports offshore oil and onshore gas liquids. It is making great efforts to become the spiritual center of the U.A.E. always in the forefront with educational projects, exhibitions, book fairs, conference centers, theatrical competitions and a very outspoken press.

In Dubai, trade has been the key to the community's stunning economic success even after a successful oil export level had been achieved.

Dubai's singleminded pursuit of the goal of prosperity for itself does not fit easily into the overall pattern of the U.A.E. as a union in the making — even though the nature of the federation is to provide for a far larger scope for regional differences than a centralized state.

There is a widespread desire for the old spirit of unity of 1971 to be rekindled to counter the growing trend of isolating each emirate from the rest. It is hoped to achieve this with a new constitution.

## A profile of an acknowledged leader. Bank of Oman.

- Professional expertise.
- Wide range of banking services.
- Computerised back-up.
- Worldwide network.
- Personalised attention.

No wonder Bank of Oman is ranked among the top three banks in the United Arab Emirates. Give your business venture the support of the UAE's most progressive bank.

بنك عمان المحدود  
Bank of Oman Limited

HEAD OFFICE P.O. BOX 1250, DUBAI, UNITED ARAB EMIRATES  
Tel: 45464 OMANIR EM Tel: 229131 (30 lines)

WE ADD TO THE BEAUTY OF BANKING

H.H. Shaikh Sultan Bin Mohamed Al Qassimi

## No. 1 in the Arab World WORLD TRADE & EXPO CENTRE Sharjah, United Arab Emirates.

By unanimous vote the International Exhibition Centre in the Gulf was selected as the venue for the first three major exhibitions to be staged by the Arab Federation of Free Industries, Baghdad, Iraq, the Federation of the UAE Chambers of Commerce & Industry and the Arab Federation of Chambers of Commerce, Industry & Agriculture based in Damascus, Syria.

The most effective sales forum at the lowest space rates in the Middle East including fully integrated exhibition services with shell scheme stands included in space rate.

1985	TRADE FAIRS CALENDAR
Aug 25 - Sept 7	UAE Industries & Trade Fair (N)
Oct 1 - 13	GRAND AUTUMN FAIR (N)
Nov 27 - Dec 8	EXPO 85 (I)
1986	TRADE FAIRS CALENDAR
Jan 27 - Feb 9	Arab Asia Fair (I)
Mar 4 - Mar 16	GRAND NATIONAL FAIR (N)
Apr 1 - 13	Gulf International Trade Fair (I)
Aug 19 - 28	UAE Industries & Trade Fair (N)
Sept 30 - Oct 12	Arab States Fair (I)
Oct 31 - Nov 10	GRAND AUTUMN FAIR (N)
Nov 28 - Dec 9	EXPO 86 (I)

(I) International Fairs Space Rates - US\$150 per sq m  
(N) National Fairs Space Rates - US\$120 per sq m

For detailed brochures and application forms mail coupon today.  
WORLD TRADE & EXPO CENTRE P.O. Box 3392, Sharjah, U.A.E.  
Tel: 05971835055, Tel: 66306 EXPO EM

We are interested in: ☐ International Fairs ☐ National Fairs

Particularly (Title of Fair and Date)

Company

Represented by

Title

Address

City

State

Country

Telephone

Telex

## Explore

If you're considering business in the Arab world, talk to The British Bank of the Middle East first. As part of the Hongkong Bank group, we have over a century's international banking experience in opening up new markets.

Our Business Profiles on Arab countries, which come as a direct result of intimate market knowledge, are only

one example of the many specialist services that we provide.

Today, with more than 1000 offices in 54 countries, concentrated in Asia, the Middle East, Europe and the Americas, the Hongkong Bank group gives you access to a complete range of financial services. The group's presence also extends to Saudi Arabia and Egypt, through its associate banks, The Saudi British Bank and Hongkong Egyptian Bank S.A.E.

For a copy of the Business Profile that interests you, write to us at Box 64 G.P.O. Hong Kong, or any branch of The British Bank of the Middle East.

## The British Bank of the Middle East

Bahrain Djibouti India Jordan  
Lebanon Oman Qatar Switzerland  
United Arab Emirates  
United Kingdom Yemen Arab Republic



member Hongkong Bank group

London Branch: 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 83



## Dubai Dry Dock Adds to the Port's Efficiency

By Phillip Hastings

DUBAI — Despite new port development throughout the United Arab Emirates over the last decade, Dubai is still the major shipping center and general entrepôt not only for the Emirates but for the Gulf as a whole.

Key factors in Dubai's continuing success in shipping are the emirate's two major seaports, now backed up by the large although still underused Dubai Dry Dock complex with its facilities for ship repair.

The better-known of Dubai's two ports is Port Rashid, often simply referred to as Dubai Port. Originally planned as a four-berth deep-water harbor in the late 1960s, it was rapidly expanded into a 16-berth port as shipping demands increased.

A second-phase development, completed in 1979, created a further 20 berths, which included a modern five-berth container terminal, as well as 10 transit sheds and several more open berths.

Altogether, the port now has 36 berths, giving a total berth length of more than 7 kilometers (4.3 miles), and a range of covered cargo sheds and hard-surfaced yards. Equipment includes five gantry cranes, straddle carriers, roll-on/roll-off tractors, terminal tractors and a large number of forklift trucks.

Central to Port Rashid's good reputation as a fast and efficient handler of both the U.A.E. and Gulf transshipment cargo traffic is a well-established computer system covering the container terminal operations. Basically, the system records all container movements from discharge to loading and vice versa, as well as providing statistical information and billing services.

Data is entered into the system through terminal equipment located in the container control office and connected directly to the central computer. Similarly, information held in the computer can be extracted and displayed on the terminals at any time.

Overall, the Port Rashid Authority claims to have the simplest and most streamlined documentation system in the world. A printout detailing every container loaded onto a vessel is available within 24 hours of sailing and shipping agents are supplied with regular printouts showing the status of their containers in port.

Port Rashid also uses a prebooking system for vessels that is designed to ensure that all necessary ground equipment is available when each ship arrives.

Overall, Port Rashid has to date stood up fairly well to the general fluctuations of the Gulf economy over the last couple of years. Total cargo throughput reached 5.4 million tons in 1982 and 6 million tons in 1983, before dropping back to about 5 million tons last year.

Moreover, Dubai's reputation as an entrepôt has made it an obvious choice as the focal point for sea and air activities, which generally involve goods being shipped from the Indian subcontinent and the Far

East to the Gulf and then air-freighted to Europe and other destinations.

Sea-air traffic has only really started to develop as a significant business over the last couple of years as international airlines, in particular, have looked for ways to counter the prevailing one-way nature of the Middle East airfreight industry. Return traffic out of the region is even now predominantly still limited to personal effects and pieces of equipment being sent for repair.

Gulf Air leads in this development. The airline, although headquartered in Bahrain, has concentrated its sea-air operations on Dubai. In addition to sea-air business, it is also developing all-air traffic in a similar way.

Further transshipment business could result from Gulf Air's intention to expand its Far East operations. At the moment the carrier serves Hong Kong, Manila and Bangkok but it already has its eyes on Singapore and Seoul as future

points to be included in its network.

At the same time the carrier has extended its network westward to include Sana'a, North Yemen, and Khartoum, Sudan, and it is looking at adding Nairobi and Mogadishu, Somalia, so opening up further freight transshipment possibilities via the Gulf, with Dubai and Bahrain the obvious choices for such activities.

Other airlines, too, are building up their Dubai transshipment business as a means of generating much-needed freight traffic out of the Gulf. British Airways has been looking to develop more sea-air and all-air transshipment freight business through Dubai and other Gulf centers.

"For transshipment in the Gulf there really is nowhere to compare with Dubai; here you have a very flexible port management so you can, for instance, undertake restowing operations in the port for traffic going on to Saudi Arabia, Kuwait and other Gulf points," one Dubai-based executive said.

## Integral Foreign Participation Buys Oil Output

ABU DHABI — Oil production in the United Arab Emirates is unique in the Gulf in the integral involvement of foreign oil companies. They operate under a wide range of agreements in which government participation as well as foreign shareholding varies.

When all other OPEC countries were moving toward full takeover, Sheikh Zayed bin Sultan al-Nahayan of Abu Dhabi decided to halt Abu Dhabi's participation at 60 percent, a policy that has been followed in the other emirates. The U.A.E. benefits from access to the technical expertise and marketing experience of the oil companies. They, in turn, benefit from access to crude, as well as downstream opportunities. Profit margins for the companies are often low but in the long term, they say, the investment will be worth it.

Long-standing foreign shareholders in Abu Dhabi's oil (40 percent of the main offshore and offshore concessions) Shell, Mobil, Exxon and Parter (Gulfstream). There are also a number of more recent Japanese arrivals involved in the development of smaller fields and also minority partners (12 percent) with the Abu Dhabi National Oil Co. in the giant upper Zakum offshore project.

During 1983-84 the relatively high price of Abu Dhabi's light (39 API) Murban crude led to two problems, namely the issue of differentials — a wider OPEC issue — and that of margins, the profit per barrel allowed to the shareholders as a return on their investment. Last year Abu Dhabi's crude was consistently overpriced relative to its value on the open market. Disposing of it was increasingly difficult, and in November the government temporarily increased the margins provided the shareholders lifted their full entitlements. In January this year OPEC eased the differential problem, bringing down the price of Murban to \$28.15 and in February fresh margins were agreed, slightly lower than November's.

Abu Dhabi still has problems selling its crude, as the minister of petroleum, Mana al-Otaiba, pointed out recently. Most of it goes to Japan, supplies partly from the shareholders but principally from ADNOC's 60-percent share of production. This is strictly tied to the official price, which sometimes makes it difficult to move. The result has been temporary cuts in onshore production even below the OPEC ceiling. Offshore production cannot be cut further below a minimum limit because associated gas is needed for the LNG plant on Das Island.

Japanese customers have been turning to cheaper sources, notably Oman, which is not a member of OPEC. Their contracted purchases of Abu Dhabi crude are now down to 90,000 barrels per day for this

year, compared with 205,000 barrels in 1982, and there has been some hard bargaining for concessions on payment terms. ADNOC's officials are holding their own, but most recently the Japanese suggested they should pay in yen rather than in dollars.

There have been several offshore gas finds over the last year and development of the Khuff field is going ahead to reinject 250 million cubic feet a day into the Uweinat formation. Uweinat cap gas is now providing at least half the needs of the voracious Abu Dhabi Gas Liquefaction Co., which was in danger of failing its commitments because of crude production cuts.

Abu Dhabi Gas raised production in 1984 over 1983 (when it was affected by technical problems) as a result of this additional supply. But it, too, has had to bargain with Japanese customers (Tokyo Electric exclusively for its LNG and others, through equity holders BP and Compagnie Française de Pétrole for the LPG) because of the link between the price of crude and the price of gas.

The most interesting development in the last few years in the Emirates has been the gas condensate discoveries in other parts of the country — a geological breakthrough using rapidly evolving seismic techniques that has attracted host of foreign oil companies of all sizes.

The discoveries include Dubai's Margha field, a concession owned by Arco and British, which has been producing about 25,000 barrels a day of condensate since early last year and reinjecting the gas. Sharjah's Saja field now produces about 60,000 barrels a day of condensate and is flaring 400 million cubic feet a day of gas, having sold only about 100 million cubic feet a day for a remarkably high price to Emirates General Petroleum Co. for power generation in the northern emirates.

There is also Ras al-Khaimah's offshore Saja field, now producing about 13,000 barrels a day, flaring some of the gas and piping some ashore for cement kilns. In Abu Dhabi, Amoco is exploring a

continuation of the Margha-Saja structure; its first well found noncommercial quantities of gas condensate and is now drilling a second.

There is little new downstream activity in the Emirates despite rumors. Sharjah has gone ahead with its \$300-million LPG plant in partnership with Amoco and the Japanese but the proposed fertilizer plant has foundered on the price of the feedstock, Saja gas, which foreign investors reckon is too high.

Oil observers criticize Sharjah's flare but in present market conditions the government's hesitancy is understandable. Agreement is reported to have been reached with Dubai for purchase of Sharjah gas for power generation; Dubai needs the gas, and anything would be better than Sharjah flaring it. But relations between the two emirates are still clouded by their border dispute, which also affects delineation of their respective oil fields.

The uncertainty of federal authority as a whole is most clearly demonstrated in oil matters. The

minister of petroleum, Mr. al-Otaiba, has the unenviable task of combining the roles of chairing the OPEC production monitoring committee, heading the federal ministry and also Abu Dhabi's Department of Petroleum.

Dubai does not feel bound by the ministry, and Abu Dhabi has, therefore, had to bear the brunt of cuts in OPEC production quotas. Dubai's offshore production (from rapidly declining reserves) is at least 360,000 barrels a day and the Dubai government refuses to be bound by OPEC decisions on the grounds that it produces less than Abu Dhabi anyway. Condensate production is not included in OPEC's quotas.

There is no sign that Federal National Council pressure on the authorities to rationalize and reinvigorate the economy on a federal basis is likely to make any impression on each emirate's determination to preserve independent control of hydrocarbon resources and their development.

— SARAH SEARIGHT

## 'Greening of Desert' May Dry Up Water Reserves

ABU DHABI — The drive from Abu Dhabi to the fast-expanding oasis of Al-Ain is hot and exhausting. Two-thirds of the way there is an unexpected oasis, great bushes of bougainvillea and hibiscus and deep shade. From there to Al-Ain, on both sides of the road, is a continuous belt of saplings. Al-Ain itself, once a string of date gardens with small patches of cultivation, is now surrounded by an ever-growing belt of farmland.

Gardens, forests and farms are a remarkable achievement here, the result of wealth, determination and copious irrigation; it is known as "greening the desert." But Abu Dhabi is now seriously questioning the implications of such uncontrolled use of water.

Most of the new greenery is agricultural, farms growing vegetables and fodder. The growth in the

number and size of farms has mostly occurred in the Al-Ain area, inspired by Abu Dhabi's ruler, Sheikh Zayed bin Sultan al-Nahayan. New areas are fenced in every week. Another well-developed area is around Dhaid, in Sharjah, and there has been considerable expansion of the traditional agricultural base in Ras al-Khaimah, best watered of the emirates. Farms vary from large government projects to private holdings, experimental plots and a few joint ventures with foreign concerns. A farmer is well subsidized by the Ministry of Agriculture, in the case of Ras al-Khaimah, or the local Department of Agriculture in Al-Ain.

Irrigation methods vary, but are becoming more economic with the installation of drip, bubble and sprinkler systems.

Al-Ain, Dhaid and much of Ras al-Khaimah are on a wide gravel plain between the sand of the desert and the mountains that run parallel to the southern coast of Arabia. Beneath this plain is an extensive shallow aquifer fed by rainwater from the mountains. Rainfall in the United Arab Emirates is erratic, averaging 6 to 10 centimeters a year (2.36 to 3.9 inches). About 72 percent of this is lost through evaporation and about 14 percent drains directly into the sea.

Ninety percent of the U.A.E.'s consumption of water is used for agriculture. In Abu Dhabi city, all water is desalinated, with some recycled water used in municipal gardens. A pipeline has been laid between Abu Dhabi and Al-Ain capable of sending up to 20 million gallons (75.7 million liters) a day of water from the Tawelah power

and desalination plant when the installation is complete; at present, about 2 million gallons is being sent.

Dubai city is switching to desalination because of the depleted ground water resources.

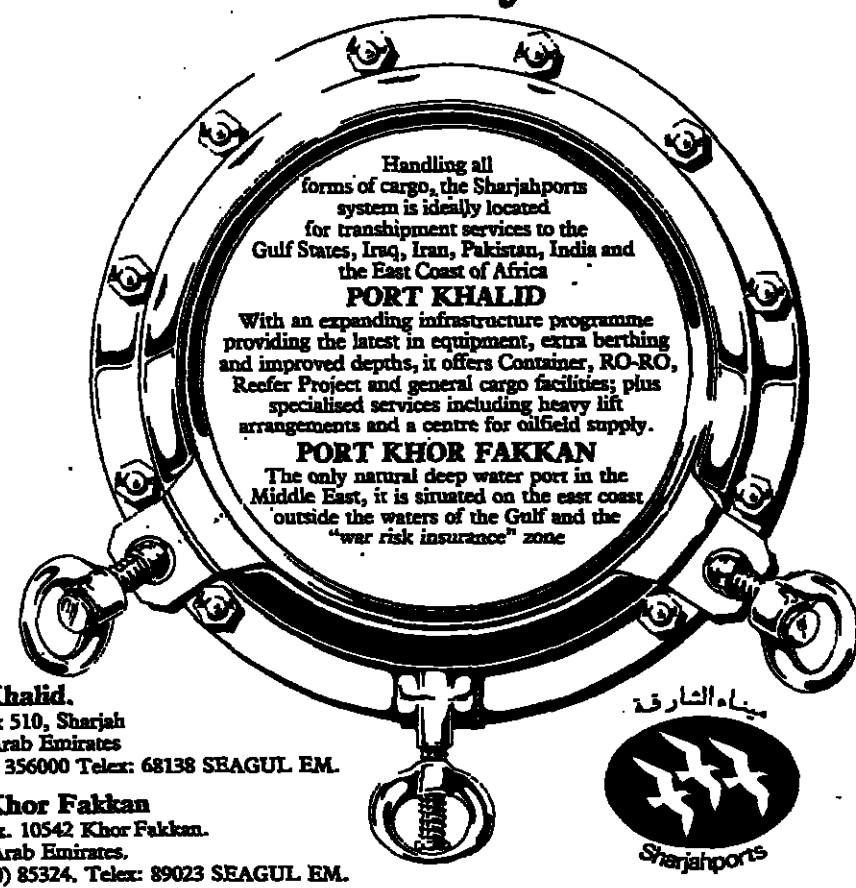
Local critics are concerned that agriculture is drawing too lavishly on finite water resources. At a recent seminar on sweet-water resources at Al-Ain University, Sheikh Nahayan bin Mubarak, president of the university, said that at present rates of consumption, ground-water resources in Al-Ain would be exhausted in 10 to 11 years.

The issue is highly political. Reports by one group of experts on limited resources gather dust while other experts report unlimited resources.

Oil companies are contributing data on deep aquifers but they are the first to point out that brackishness increases with depth (although this can be filtered out to some extent) and that there are the same limitations to deep resources as to shallow.

— SARAH SEARIGHT

## LOOK INTO SHARJAHPORTS



# Banque Indosuez in the United Arab Emirates.

Banque Indosuez is present in the United Arab Emirates, in Dubai and Abu Dhabi.  
Banque Indosuez is in all the major countries in

the Middle East to give you the green light for business.  
Banque Indosuez, present in 65 countries, opens up a whole world of opportunities.



BANQUE INDOSUEZ

Head office : 96, boulevard Haussmann, 75008 Paris.

BANQUE INDOSUEZ. A WHOLE WORLD OF OPPORTUNITIES.



	Vol.	High	Low	Last	Chg.
Danmor	7213	26 1/2	26 1/2	26 1/2	+ 1/2
BAT in	5423	26 1/2	26 1/2	26 1/2	+ 1/2
Woods	3080	18 1/2	17 1/2	18 1/2	+ 1/2
CrystO	1577	2	1 1/2	1 1/2	+ 1/2
Telephon	1440	4 1/2	4 1/2	4 1/2	+ 1/2
WDIstn	1439	14 1/2	14 1/2	14 1/2	+ 1/2
CIRCO	1422	14 1/2	14 1/2	14 1/2	+ 1/2
Amrop	1395	13 1/2	13 1/2	13 1/2	+ 1/2
Finnlnd	1388	13 1/2	13 1/2	13 1/2	+ 1/2

High	Previous Low	Close	Today 3 P.M.
228.62	227.49	227.76	228.45

[illegible][illegible]

17%	USSR	1.90	77	4	301	23%	23%	1976	USA	1.90	77	4	301	23%	23%
44	USSR	1.57	78	2	189	25%	25%	44	USSR	1.57	78	2	189	25%	25%
45	USSR	1.57	79	2	189	25%	25%	45	USSR	1.57	79	2	189	25%	25%
46	USSR	1.57	80	2	189	25%	25%	46	USSR	1.57	80	2	189	25%	25%
47	USSR	1.57	81	2	189	25%	25%	47	USSR	1.57	81	2	189	25%	25%
48	USSR	1.57	82	2	189	25%	25%	48	USSR	1.57	82	2	189	25%	25%
49	USSR	1.57	83	2	189	25%	25%	49	USSR	1.57	83	2	189	25%	25%
50	USSR	1.57	84	2	189	25%	25%	50	USSR	1.57	84	2	189	25%	25%
51	USSR	1.57	85	2	189	25%	25%	51	USSR	1.57	85	2	189	25%	25%
52	USSR	1.57	86	2	189	25%	25%	52	USSR	1.57	86	2	189	25%	25%
53	USSR	1.57	87	2	189	25%	25%	53	USSR	1.57	87	2	189	25%	25%
54	USSR	1.57	88	2	189	25%	25%	54	USSR	1.57	88	2	189	25%	25%
55	USSR	1.57	89	2	189	25%	25%	55	USSR	1.57	89	2	189	25%	25%
56	USSR	1.57	90	2	189	25%	25%	56	USSR	1.57	90	2	189	25%	25%
57	USSR	1.57	91	2	189	25%	25%	57	USSR	1.57	91	2	189	25%	25%
58	USSR	1.57	92	2	189	25%	25%	58	USSR	1.57	92	2	189	25%	25%
59	USSR	1.57	93	2	189	25%	25%	59	USSR	1.57	93	2	189	25%	25%
60	USSR	1.57	94	2	189	25%	25%	60	USSR	1.57	94	2	189	25%	25%
61	USSR	1.57	95	2	189	25%	25%	61	USSR	1.57	95	2	189	25%	25%
62	USSR	1.57	96	2	189	25%	25%	62	USSR	1.57	96	2	189	25%	25%
63	USSR	1.57	97	2	189	25%	25%	63	USSR	1.57	97	2	189	25%	25%
64	USSR	1.57	98	2	189	25%	25%	64	USSR	1.57	98	2	189	25%	25%
65	USSR	1.57	99	2	189	25%	25%	65	USSR	1.57	99	2	189	25%	25%
66	USSR	1.57	00	2	189	25%	25%	66	USSR	1.57	00	2	189	25%	25%
67	USSR	1.57	01	2	189	25%	25%	67	USSR	1.57	01	2	189	25%	25%
68	USSR	1.57	02	2	189	25%	25%	68	USSR	1.57	02	2	189	25%	25%
69	USSR	1.57	03	2	189	25%	25%	69	USSR	1.57	03	2	189	25%	25%
70	USSR	1.57	04	2	189	25%	25%	70	USSR	1.57	04	2	189	25%	25%
71	USSR	1.57	05	2	189	25%	25%	71	USSR	1.57	05	2	189	25%	25%

[illegible][illegible]



AMX Most Active

Symbol	Price	Change
IBM	125 1/4	+1/4
Microsoft	34 1/2	+1/2
Apple	29 1/4	+1/4
Oracle	27 1/4	+1/4
Novell	24 1/4	+1/4
Lotus	23 1/4	+1/4
Intuit	22 1/4	+1/4
Visa	21 1/4	+1/4
MasterCard	20 1/4	+1/4
Discover	19 1/4	+1/4
Amex	18 1/4	+1/4
Bank of America	17 1/4	+1/4
Wells Fargo	16 1/4	+1/4
Citigroup	15 1/4	+1/4
JPMorgan	14 1/4	+1/4
Goldman Sachs	13 1/4	+1/4
Morgan Stanley	12 1/4	+1/4
JP Morgan Chase	11 1/4	+1/4
Bank of New York	10 1/4	+1/4
Barclays	9 1/4	+1/4
Deutsche Bank	8 1/4	+1/4
Commerzbank	7 1/4	+1/4
Industriale Bank	6 1/4	+1/4
Paribas	5 1/4	+1/4
Societe Generale	4 1/4	+1/4
BNP	3 1/4	+1/4
Crédit Lyonnais	2 1/4	+1/4
Crédit Agricole	1 1/4	+1/4
Crédit Commercial	1/4	+1/4

Chopard  
GENEVE

Statistics Index

Index	Value	Change
AMEX prices	125.125	+0.125
AMEX volume	1,234,567	+12,345
NYSE prices	2,345.67	+12.34
NYSE volume	12,345,678	+123,456
London stock	2,345.67	+12.34
London volume	12,345,678	+123,456
Commodities	123.45	+1.23
Dividends	12.34	+0.12

THURSDAY, MAY 16, 1985

### WALL STREET WATCH

## Men's Long Skirts in Vogue As Investors Turn Bearish

By EDWARD ROHRBACH

PARIS — Men's skirts are "all the rage in New York," according to a newspaper item cited by Edward S. Hyman Jr. of Cyrus F. Lawrence Inc., called "Wall Street's favorite economist." He comments: "That has to be bearish for the stock market," since a photo accompanying the article shows a sheepish, bespectacled man who is wearing a long skirt and is about to step out into traffic.

Mr. Hyman's whimsical point, of course, is that the relationship between rising headlines on women's skirts and rising stock prices has long been recognized — so men wearing long skirts has to be too much even for Wall Street to bear.

While the fashion world may be questioning America's and the stock market's manliness, Stan Weinstein, editor and publisher of the Professional Tape Reader, evokes the traditional macho image in his latest commentary.

"Like a prizefighter feigning with his right hand and then jabbing with his left, this market is bobbing and weaving and totally confusing the street. More and more investors are throwing in the towel and becoming bearish as the market whipsaws back and forth."

But that is giving up too early, he believes, because the Dow-Jones Industrial Average is "overstating the market's weakness" and there is "sub-surface strengthening-taking place."

YET Mr. Weinstein, who relies solely on technical analysis, is more sure of Wall Street's favorable trend over the distance than he is about the next few rounds. For one thing, he does not like the way General Motors's has been staggered lately.

The top groups for investment are broadcasting, drugs, hospital companies, oil-related concerns and restaurants. Sectors to avoid are aluminum stocks, autos, auto parts and semiconductor.

This contention that investors are getting tired of taking punishment on Wall Street is reflected in the latest "decision-makers" poll conducted by Richard B. Hoey, economist at Drexel Burnham.

Between February of this year and April "optimism about the stock market declined abruptly," he disclosed, according to responses from 106 big institutional investors such as banks and pension funds. He calculates his Institutional Sentiment Stock Index by subtracting from the percentage of investment managers expecting to be in a bull market in three months the percentage a bear market.

In February, the index reached the highest level of the 1984-85 period at 45.1 percent, as 56.1 percent of the those surveyed believed that the stock market would be in a bull market in three months, with only 11 percent expecting to be in a bear market by May. But two months later, optimism had waned as the index dropped 38.5 percentage points to 6.6 percent, the lowest level in the 1984-85 period.

Describing the index as a "useful intermediate-term opinion indicator," Mr. Hoey added, "Thus, we take the erosion of the extreme optimism of February as an encouraging sign for the stock market."

The firm's director of research, Burton M. Siegel, put it this way: "Consensus expectations have plummeted in recent weeks and now they incorporate most of the disappointing news. Positive surprises have become more likely."

Noting that the key assumption behind Drexel Burnham's market optimism is the sustainability of the economic cycle, Mr. Siegel continued: "The recession and growth recession scenarios that are attracting great interest are likely to recede as favorable economic data are reported later this spring and summer. The negative company earnings surprises and the adjustments in

(Continued on Page 13, Col. 3)

### Currency Rates

Local interbank rates on May 15, excluding fees.

Official fixings for Amsterdam, Brussels, Frankfurt, Milan, Paris, New York rates at 2 P.M.

City	Rate	City	Rate	City	Rate
Amsterdam	1.367	Frankfurt	1.367	London	1.367
Brussels	1.367	Milan	1.367	New York	1.367
Paris	1.367	Stockholm	1.367	Zurich	1.367

### Dollar Values

Currency	Value	Currency	Value	Currency	Value
British Pound	1.367	Swiss Franc	1.367	Japanese Yen	1.367
West German Mark	1.367	Italian Lira	1.367	Spanish Peseta	1.367
French Franc	1.367	Belgian Franc	1.367	Dutch Guilder	1.367

### Interest Rates

Eurocurrency Deposits May 15

Term	Rate	Term	Rate	Term	Rate
1M	8.75%	3M	9.00%	6M	9.25%
9M	9.50%	12M	9.75%	18M	10.00%

Asian Dollar Rates May 15

City	Rate	City	Rate	City	Rate
London	1.367	Frankfurt	1.367	Paris	1.367

Key Money Rates

Country	Rate	Country	Rate	Country	Rate
United States	1.367	Japan	1.367	West Germany	1.367

West Germany

Term	Rate	Term	Rate	Term	Rate
1M	8.75%	3M	9.00%	6M	9.25%

France

Term	Rate	Term	Rate	Term	Rate
1M	8.75%	3M	9.00%	6M	9.25%

Switzerland

Term	Rate	Term	Rate	Term	Rate
1M	8.75%	3M	9.00%	6M	9.25%

Italy

Term	Rate	Term	Rate	Term	Rate
1M	8.75%	3M	9.00%	6M	9.25%

Spain

Term	Rate	Term	Rate	Term	Rate
1M	8.75%	3M	9.00%	6M	9.25%

Sweden

Term	Rate	Term	Rate	Term	Rate
1M	8.75%	3M	9.00%	6M	9.25%

Denmark

Term	Rate	Term	Rate	Term	Rate
1M	8.75%	3M	9.00%	6M	9.25%

## Speakes Calls S&L Units Safe

### But Maryland Acts on Crisis

United Press International

WASHINGTON — As steps were being taken to resolve the crisis among Maryland's savings and loan associations, Larry Speakes, the White House spokesman, said Wednesday that the U.S. federal savings and loan system "is safe and protected."

Asked if there is any concern in the White House over the federal system in view of the Maryland savings and loan situation, Mr. Speakes replied: "The federal system is safe and protected. We're monitoring the situation at the Treasury. It has been discussed at the White House, but these are state matters."

Both Ohio and Maryland have undergone problems with savings and loan associations. The governor of Maryland, Harry Hughes, took control Tuesday of the state's 102 savings and loan associations that do not have federal insurance and called the state legislature into emergency session Friday to consider a new insurance plan to protect investors.

A run by nervous depositors on Maryland's privately insured savings and loans ended Wednesday, but measures taken to save the shaky thrifts disrupted business activity in the state.

Mr. Hughes, who declared a state of emergency Tuesday, met with Federal Reserve officials and a team of attorneys to search for solutions to new problems created by his decision on Tuesday to limit withdrawals by depositors to \$1,000 a month.

Epner Johnson, the governor's chief of staff, said the state would set up a hotline to answer questions from nervous residents — some trying to close deals on new houses or pay large bills or payrolls.

But Mr. Johnson said it was unlikely Mr. Hughes would make exceptions to the withdrawal limit, imposed to stop the drain on assets at the state-chartered savings and loans.

"There are no plans to modify that at the moment," Mr. Johnson said. "We have to make a determination what kind of liquidity is out there. We want to staunch the flow of withdrawals."

## China Imposes New Tax On Foreign Businesses

By Rick Gladstone

BEIJING — China announced Wednesday an unexpected tax on foreign companies retroactive to Jan. 1, in what some Westerners saw as evidence that the country's hard-currency reserves are down and the government needs cash.

The 15-percent "enterprise income tax" will be levied on foreign offices that earn money from services and consultation, reports in the state-run press said.

They also said a 5-percent "industrial and commercial tax" would be levied on all foreign, Hong Kong and Macao enterprises starting June 1.

Overseas business representatives and Western diplomats, who spoke on the understanding that they not be identified, linked the tax to a recent tightening on Chinese spending, delays on loan re-

payments and sudden cancellations of foreign business agreements.

"This appears to be part of a pattern to stretch out their payments," a diplomat said. "It's just another form of generation of revenue."

U.S. business sources said at least five U.S. companies had complained in the last two months about Chinese delays in repaying debts, and said this indicated that Beijing had a cash-flow problem.

After a spate of bonus-giving, lending and spending, China's banking system has tightened up significantly on the spending of foreign currency.

The newly appointed director of the People's Bank of China, State Councillor Chen Mubua, is known as a conservative spender.

Enterprises liable for the new tax appear to include the China-based offices of more than 60 foreign banks, which offer consulting and liaison services to foreign clients but are restricted from conducting ordinary banking activities.

Several foreign law and accounting firms have also set up representative offices in China to provide consultancy services for economic contracts between Chinese and overseas partners.

The reports said the enterprise income tax would apply to all offices receiving commissions, rebates, fees and other income for providing consultation, market surveys, liaison and other services to clients in China.

They quoted Jin Xin, director of the Finance Ministry's general taxation bureau, as saying that such offices would be taxed "no matter where the payments are made, whether in China or elsewhere."

Asked whether this might discourage foreign businesses from coming to China, the Foreign Trade Ministry spokesman, Huang Wenjun, said if they "come to China just to have general contacts, then there will be no taxation."

The announcement coincided with the end of a visit by the U.S. commerce secretary, Malcolm Baldrige, who said he had complained to the Chinese about the high cost of doing business in China.

Foreign businesses have long protested what they call "hidden taxation" by the Chinese government, including high prices for labor and supplies and 100-percent duty on imported equipment.

Foreigners must hire all Chinese help through a government-run agency which in some cases charges 10 times the amount the Chinese employees receive in wages.

## Nigeria's Foray Into Oil-Bartering

### Its Swaps Have Depressed World Prices, Traders Say

By Bob Haggerty

INTERNATIONAL HERALD TRIBUNE

LONDON — A spate of oil-bartering by Nigeria is helping to depress petroleum prices, traders say, and more such sales are in the works.

Barter — or countertrade, as the more complex arrangements are called — in recent years has become a major selling method for many members of the Organization of Petroleum Exporting Countries, notably Iran, Algeria, Libya and Saudi Arabia. But Nigeria, one of OPEC's biggest producers, has become a big user of countertrade only in recent months.

Already, it has reached agreements involving \$1 billion worth of spare parts and other goods from Brazil; \$500 million in assembly kits for Peugeot cars, refined sugar and other products from France; and \$200 million worth of machinery, steel and other building materials from Austria's state-owned Vost-Alpine AG.

Countertrade allows oil producers to give well-disguised discounts from official OPEC prices. Though the producers generally deny this motive, "You don't undertake a barter deal if you can sell crude at official prices," said Mehdi Varzi, an oil analyst at the London stockbrokerage of Grice-son, Grant & Co.

The oil market in general has been weak recently, and it is difficult to isolate one factor from another. But traders note that Nigerian crude prices have fallen more steeply than some other widely traded crudes.

Petroleum Argus, a trade newsletter, reports that Nigeria's Bonny light crude is quoted on the spot, or noncontract, market at around \$26.80 a barrel. That is down about \$1.30 from two months ago and compares with the official price of \$28.65 a barrel. Forcados, a lower-grade Nigerian crude, was quoted Wednesday at around \$26.70 a barrel, down \$1.50 from two months ago. Nigeria's Bonny medium has slumped \$1.80.

Britain's Brent blend and West Texas intermediate, a widely traded U.S. crude, are down less than \$1 from their mid-March levels.

Nigeria's oil minister, Tam David-West, said in



Tam David-West

a telephone interview from Lagos that his country was trying to structure its countertrade in a way that would avoid undermining the market. The minister added that he was analyzing how the new practice was affecting spot prices.

"I owe nobody any apologies for doing countertrade — provided we do not rock the boat," Mr. David-West said.

In theory, countertrade need not rock the boat any more than cash sales do. In practice, however, it often does.

For one thing, countertrade allows producers to pump more crude than they would if they relied solely on cash sales. Oil executives estimate that Nigeria in recent months has been producing about 1.7 million barrels a day, well over its OPEC quota, which the Nigerians define as 1.45 million.

Mr. David-West declined to comment on such estimates, but he said Nigeria next week would be hosting KMG Klynveld Kraayenhoff & Co., a Dutch accounting firm recently hired by OPEC to monitor members' production. "Our doors are

(Continued on Page 13, Col. 4)

## Big U.S. Bank Lowers Prime to 10%

Compiled by Our Staff From Dispatches

NEW YORK — Bankers Trust, the eighth largest U.S. bank, cut its prime lending rate Wednesday by a half percentage point, to 10 percent, the lowest level for the benchmark rate in more than 6 1/2 years.

Although a few small banks lowered their prime rate last month, to 10 1/4 percent, the major U.S. banks have posted a 10 1/2-percent prime since mid-January. No other major bank followed Bankers Trust's lead on Wednesday.

The reduction follows a sharp decline in money-market rates in the past week, partly as a result of speculation that the Federal Reserve will further relax its grip on

credit to stimulate the stuttering U.S. economy, analysts said.

The deposit rate for 90-day certificates of deposit, adjusted for deposit insurance and reserve requirements, was around 8.40 percent Wednesday, or more than 200 basis points below the 10 1/2-percent prime rate. A basis point is one hundredth of a percentage point.

Some analysts said low financing costs would have justified a cut in their prime rate much earlier.

"On balance this comes as no big surprise," said William Sullivan of Dean Witter Reynolds Inc. "Banks have dragged their heels, and a re-

duction in the rate was long overdue," he said.

The prime rate is the benchmark against which banks measure rates on other short-term loans to small and medium-size businesses. Large businesses are often able to borrow at rates below the prime rate, while many smaller borrowers frequently must pay more.

The prime has been falling since Sept. 27, when it was cut to 12 1/2 percent from the 13-percent level that had prevailed for three months. The last time the prime was cut was Jan. 15, when it was reduced by a quarter percentage point, to the current 10 1/2 percent.

(Reuters, UPI)

## Dornier Holder Ends Resistance To Daimler Pact

By Warren Getler

INTERNATIONAL HERALD TRIBUNE

FRANKFURT — A battle for control of Dornier GmbH ended Tuesday when Claudius Dornier, the senior shareholder of the family-owned concern, agreed to a plan to sell a 68-percent stake in the company to Daimler-Benz AG.

Under the plan, Mr. Dornier would retain a 20-percent stake in Dornier, West Germany's second-largest aerospace group with 1984 sales of about 1.6 billion Deutsche marks (about \$520 million). The plan must be approved by the Federal Cartel Office, where no major objections are foreseen.

The takeover, if approved, would make Daimler one of West Germany's leading military contractors. The automaker earlier this year acquired full control of MTU GmbH, a major maker of engines for military aircraft with 1984 sales of 2.2 billion DM. About half of Dornier's sales are military-related, a Dornier spokesman said.

Mr. Dornier, the only one of six family shareholders who originally objected to the Daimler takeover plan announced April 23, said Wednesday in a telephone interview that he felt he could not go against the wishes of the company's work force and the government in his effort to block Daimler's bid.

Under terms of the company founder's will, Mr. Dornier holds de facto veto power over the sale of stock to outsiders.

Mr. Dornier, whose stake would rise from a current 12.8 percent under terms of the agreement with Daimler, had the legal option of buying shares of the other family members before those shares could be offered to outsiders. He had held out for a 25-percent stake, which under German law would have granted him veto power over management decisions.

On the eve of Daimler's April announcement, a large majority of Dornier's 9,000 employees had voted in favor of Daimler's acquisition proposal, which also was strongly endorsed by the regional government of Baden-Wuerttemberg where the two companies are located. Under the agreement, the state government would become a minority shareholder, taking a 4-percent stake, while the remaining 8 percent would be held by Claudius' brother, Silvio.

In London, the British pound closed at \$1.2628, down from \$1.2748 on Tuesday. The dollar ended in Frankfurt at 3.0835 Deutsche marks, up from 3.0613 DM; in Zurich, at 2.5775 Swiss francs; and in Tokyo, at 250.175 Japanese yen, down from 250.75 yen.

(Continued on Page 13, Col. 4)

## Dollar Is Mixed In Europe Trade

The Associated Press

LONDON — The dollar was mixed Wednesday as markets responded unevenly to a drop in U.S. industrial production. The U.S. Federal Reserve Board announced Wednesday that industrial production fell 0.2 percent in April, the first decline since last October.

Currency dealers said trading was quiet ahead of Thursday's Ascension Day holiday in many European countries.

In London, the British pound closed at \$1.2628, down from \$1.2748 on Tuesday. The dollar ended in Frankfurt at 3.0835 Deutsche marks, up from 3.0613 DM; in Zurich, at 2.5775 Swiss francs; and in Tokyo, at 250.175 Japanese yen, down from 250.75 yen.

All of these securities having been sold, this announcement appears as a matter of record only.

U.S. \$75,000,000

## Drexel Burnham Lambert Capital Corporation

11 1/4% Guaranteed Notes due May 15, 1990

Unconditionally Guaranteed by

## The Drexel Burnham Lambert Group Inc.

and under a Surety Bond issued by

## The Aetna Casualty and Surety Company

Drexel Burnham Lambert

Bankers Trust International Limited	Banque Paribas Capital Markets
First Chicago Limited	Samuel Montagu & Co. Limited
Union Bank of Switzerland (Securities) Limited	Algemene Bank Nederland N.V.
Banque Bruxelles Lambert S.A.	Banque Internationale à Luxembourg S.A.
Kuwait International Investment Co. s.a.k.	Nomura International Limited
Svenska Handelsbanken Group	Swiss Bank Corporation International Limited

May, 1985

We are pleased to announce that

our current capital\* exceeds

\$735,000,000

## The Drexel Burnham Lambert Group Inc.

May, 1985

\*Unaudited



Q		R	
9%	10%	9%	10%
25%	25%	25%	25%
30%	30%	30%	30%
35%	35%	35%	35%
40%	40%	40%	40%
45%	45%	45%	45%
50%	50%	50%	50%
55%	55%	55%	55%
60%	60%	60%	60%
65%	65%	65%	65%
70%	70%	70%	70%
75%	75%	75%	75%
80%	80%	80%	80%
85%	85%	85%	85%
90%	90%	90%	90%
95%	95%	95%	95%
100%	100%	100%	100%

Canada		Revenue		Net Inc.		Per Share	
<b>Dome Pet. Canada</b>							
1st Qtr.	1984	1984					
Revenue	\$51.2	44.0					
Profits	10.4	6.0					
Per Share	8.12	8.09					
<b>Ivaco</b>							
1st Qtr.	1984	1984					
Revenue	39.1	203.4					
Profits	6.41	6.52					
Per Share	0.23	0.25					
<b>West German</b>							
<b>AEG-Telefunken</b>							
Year	1984	1983					
Revenue	11,016	11,527					
Profits	377.3	37					
<b>Bayer, Landesbank</b>							
Year	1984	1983					
Profit	139.5	136					

[illegible]

	Cello-Scello		Puts-Scello	
Strike	Call	Put	Call	Put
Price	1.88	2.92	1.88	2.92
30	1.88	2.92	1.88	2.92
35	1.88	2.92	1.88	2.92
40	1.88	2.92	1.88	2.92
45	1.88	2.92	1.88	2.92
50	1.88	2.92	1.88	2.92
55	1.88	2.92	1.88	2.92
60	1.88	2.92	1.88	2.92
65	1.88	2.92	1.88	2.92
70	1.88	2.92	1.88	2.92
75	1.88	2.92	1.88	2.92
80	1.88	2.92	1.88	2.92
85	1.88	2.92	1.88	2.92
90	1.88	2.92	1.88	2.92
95	1.88	2.92	1.88	2.92
100	1.88	2.92	1.88	2.92
105	1.88	2.92	1.88	2.92
110	1.88	2.92	1.88	2.92
115	1.88	2.92	1.88	2.92
120	1.88	2.92	1.88	2.92
125	1.88	2.92	1.88	2.92
130	1.88	2.92	1.88	2.92
135	1.88	2.92	1.88	2.92
140	1.88	2.92	1.88	2.92
145	1.88	2.92	1.88	2.92
150	1.88	2.92	1.88	2.92
155	1.88	2.92	1.88	2.92
160	1.88	2.92	1.88	2.92
165	1.88	2.92	1.88	2.92
170	1.88	2.92	1.88	2.92
175	1.88	2.92	1.88	2.92
180	1.88	2.92	1.88	2.92
185	1.88	2.92	1.88	2.92
190	1.88	2.92	1.88	2.92
195	1.88	2.92	1.88	2.92
200	1.88	2.92	1.88	2.92
205	1.88	2.92	1.88	2.92
210	1.88	2.92	1.88	2.92
215	1.88	2.92	1.88	2.92
220	1.88	2.92	1.88	2.92
225	1.88	2.92	1.88	2.92
230	1.88	2.92	1.88	2.92
235	1.88	2.92	1.88	2.92
240	1.88	2.92	1.88	2.92
245	1.88	2.92	1.88	2.92
250	1.88	2.92	1.88	2.92
255	1.88	2.92	1.88	2.92
260	1.88	2.92	1.88	2.92
265	1.88	2.92	1.88	2.92
270	1.88	2.92	1.88	2.92
275	1.88	2.92	1.88	2.92
280	1.88	2.92	1.88	2.92
285	1.88	2.92	1.88	2.92
290	1.88	2.92	1.88	2.92
295	1.88	2.92	1.88	2.92
300	1.88	2.92	1.88	2.92
305	1.88	2.92	1.88	2.92
310	1.88	2.92	1.88	2.92
315	1.88	2.92	1.88	2.92
320	1.88	2.92	1.88	2.92
325	1.88	2.92	1.88	2.92
330	1.88	2.92	1.88	2.92
335	1.88	2.92	1.88	2.92
340	1.88	2.92	1.88	2.92
345	1.88	2.92	1.88	2.92
350	1.88	2.92	1.88	2.92
355	1.88	2.92	1.88	2.92
360	1.88	2.92	1.88	2.92
365	1.88	2.92	1.88	2.92
370	1.88	2.92	1.88	2.92
375	1.88	2.92	1.88	2.92
380	1.88	2.92	1.88	2.92
385	1.88	2.92	1.88	2.92
390	1.88	2.92	1.88	2.92
395	1.88	2.92	1.88	2.92
400	1.88	2.92	1.88	2.92
405	1.88	2.92	1.88	2.92
410	1.88	2.92	1.88	2.92
415	1.88	2.92	1.88	2.92
420	1.88	2.92	1.88	2.92
425	1.88	2.92	1.88	2.92
430	1.88	2.92	1.88	2.92
435	1.88	2.92	1.88	2.92
440	1.88	2.92	1.88	2.92
445	1.88	2.92	1.88	2.92
450	1.88	2.92	1.88	2.92
455	1.88	2.92	1.88	2.92
460	1.88	2.92	1.88	2.92
465	1.88	2.92	1.88	2.92
470	1.88	2.92	1.88	2.92
475	1.88	2.92	1.88	2.92
480	1.88	2.92	1.88	2.92
485	1.88	2.92	1.88	2.92
490	1.88	2.92	1.88	2.92
495	1.88	2.92	1.88	2.92
500	1.88	2.92	1.88	2.92
505	1.88	2.92	1.88	2.92
510	1.88	2.92	1.88	2.92
515	1.88	2.92	1.88	2.92
520	1.88	2.92	1.88	2.92
525	1.88	2.92	1.88	2.92
530	1.88	2.92	1.88	2.92
535	1.88	2.92	1.88	2.92
540	1.88	2.92	1.88	2.92
545	1.88	2.92	1.88	2.92
550	1.88	2.92	1.88	2.92
555	1.88	2.92	1.88	2.92
560	1.88	2.92	1.88	2.92
565	1.88	2.92	1.88	2.92
570	1.88	2.92	1.88	2.92
575	1.88	2.92	1.88	2.92
580	1.88	2.92	1.88	2.92
585	1.88	2.92	1.88	2.92
590	1.88	2.92	1.88	2.92
595	1.88	2.92	1.88	2.92
600	1.88	2.92	1.88	2.92
605	1.88	2.92	1.88	2.92
610	1.88	2.92	1.88	2.92
615	1.88	2.92	1.88	2.92
620	1.88	2.92	1.88	2.92
625	1.88	2.92	1.88	2.92
630	1.88	2.92	1.88	2.92
635	1.88	2.92	1.88	2.92
640	1.88	2.92	1.88	2.92
645	1.88	2.92	1.88	2.92
650	1.88	2.92	1.88	2.92
655	1.88	2.92	1.88	2.92
660	1.88	2.92	1.88	2.92
665	1.88	2.92	1.88	2.92
670	1.88	2.92	1.88	2.92
675	1.88	2.92	1.88	2.92
680	1.88	2.92	1.88	2.92
685	1.88	2.92	1.88	2.92
690	1.88	2.92	1.88	2.92
695	1.88	2.92	1.88	2.92
700	1.88	2.92	1.88	2.92
705	1.88	2.92	1.88	2.92
710	1.88	2.92	1.88	2.92
715	1.88	2.92	1.88	2.92
720	1.88	2.92	1.88	2.92
725	1.88	2.92	1.88	2.92
730	1.88	2.92	1.88	2.92
735	1.88	2.92	1.88	2.92
740	1.88	2.92	1.88	2.92
745	1.88	2.92	1.88	2.92
750	1.88	2.92	1.88	2.92
755	1.88	2.92	1.88	2.92
760	1.88	2.92	1.88	2.92
765	1.88	2.92	1.88	2.92
770	1.88	2.92	1.88	2.92
775	1.88	2.92	1.88	2.92
780	1.88	2.92	1.88	2.92
785	1.88	2.92	1.88	2.92
790	1.88	2.92	1.88	2.92
795	1.88	2.92	1.88	2.92
800	1.88	2.92	1.88	2.92
805	1.88	2.92	1.88	2.92
810	1.88	2.92	1.88	2.92
815	1.88	2.92	1.88	2.92
820	1.88	2.92	1.88	2.92
825	1.88	2.92	1.88	2.92
830	1.88	2.92	1.88	2.92
835	1.88	2.92	1.88	2.92
840	1.88	2.92	1.88	2.92
845	1.88	2.92	1.88	2.92
850	1.88	2.92	1.88	2.92
855	1.88	2.92	1.88	2.92
860	1.88	2.92	1.88	2.92
865	1.88	2.92	1.88	2.92
870	1.88	2.92	1.88	2.92
875	1.88	2.92	1.88	2.92
880	1.88	2.92	1.88	2.92
885	1.88	2.92	1.88	2.92
890	1.88	2.92	1.88	2.92
895	1.88	2.92	1.88	2.92
900	1.88	2.92	1.88	2.92
905	1.88	2.92	1.88	2.92
910	1.88	2.92	1.88	2.92
915	1.88	2.92	1.88	2.92
920	1.88	2.92	1.88	2.92
925	1.88	2.92	1.88	2.92
930	1.88	2.92	1.88	2.92
935	1.88	2.92	1.88	2.92
940	1.88	2.92	1.88	2.92
945	1.88	2.92	1.88	2.92
950	1.88	2.92	1.88	2.92
955	1.88	2.92	1.88	2.92
960	1.88	2.92	1.88	2.92
965	1.88	2.92	1.88	2.92
970	1.88	2.92	1.88	2.92
975	1.88	2.92	1.88	2.92
980	1.88	2.92	1.88	2.92
985	1.88	2.92	1.88	2.92
990	1.88	2.92	1.88	2.92
995	1.88	2.92	1.88	2.92
1000	1.88	2.92	1.88	2.92

estimated total vol. 2,913  
Cello- Tm. vol. 4,360 open bid. 4,360  
Puts: Tm. vol. 3,701 open bid. 3,597  
Source: CME.

Page 188/51      Line 178/29      Class 178/51      = 1.25  
Source: CBOE.

---

## To Our Readers

Floating Rates Notes were not available in this edition because of computer problems.

setting targets for Brazilian economic performance. "We need to insist on realistic targets. The country will not go into recession," he said. Mr. Dornelles said Brazil should receive IMF credit worth \$1.2 billion in 1985, less than officials anticipated at the beginning of the year.

Statistics Sweden, 2.7 percent in the 1980s of the year, compared with 3.1 percent in the period of 1984. The average of 1984 was 8.2

**Sweden**  
**During April**

Associated Press

M — Swedish consumer 0.4 percent in rich to a level 7.8 at of a year earlier, statistics agency

Statistics Sweden, 2.7 percent in the of the year, com-  
parative of 3.1 per-  
cent of 1984, 1984 was 8.2









**Herald Tribune**

---

**JUNE 14**  
**The Banking System**  
 Mr. János Fekete, *First Deputy President, National Bank of Hungary*  
**Western Banking and Hungary**  
 Mr. Gabriel Eichler, *Vice President and General Manager, Bank of America N.T., Vienna*  
**Industrial Outlook**  
 Mr. Ferenc Horváth, *Secretary of State for Industry*  
**Panel of Hungarian Industrialists**  
**Afternoon Address**  
 Professor Richard Portes, *Director, Centre for Economic Policy Research, London*  
**Joint Ventures**  
 Mr. László Borbély, *Director General, Department for International Monetary Affairs, Ministry of Finance*  
**Panel of Foreign Companies**  
 Moderator: Mr. Tamas Beck, *President, Hungarian Chamber of Commerce*

\_\_\_\_\_

## May 15

**NASDAQ National Market Prices**[illegible]

(Continued on Page 15)

The International Herald Tribune and Oxford Analytica  
present a Special Conference on  
The International Business Outlook. Christ Church, Oxford,  
September 19-21, 1985.

For further information, please send your business card to International Business Outlook Conference, International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France. Telephone: 7471.265. Telex: 613 595 F.

Floating Rates Notes were not available in this edition because of computer problems.

said Brazil should receive IMF credits worth \$1.2 billion in 1985, slightly less than officials anticipated at the beginning of the year.

pared with an increase of 3.1 per cent in the like period of 1984. Inflation in all of 1984 was 8.2.



# Wednesday's AMEX Closing

Tables include the nationwide prices for the closing on Wall Street and do not reflect late trading elsewhere.  
Via The Associated Press

12 Month High Low PE Div. Yld. PE

12 Month High	12 Month Low	PE	Div. Yld.	PE
100	90	10	1.5	10
110	100	11	1.6	11
120	110	12	1.7	12
130	120	13	1.8	13
140	130	14	1.9	14
150	140	15	2.0	15
160	150	16	2.1	16
170	160	17	2.2	17
180	170	18	2.3	18
190	180	19	2.4	19
200	190	20	2.5	20

12 Month High	12 Month Low	PE	Div. Yld.	PE
210	200	21	2.6	21
220	210	22	2.7	22
230	220	23	2.8	23
240	230	24	2.9	24
250	240	25	3.0	25
260	250	26	3.1	26
270	260	27	3.2	27
280	270	28	3.3	28
290	280	29	3.4	29
300	290	30	3.5	30

12 Month High	12 Month Low	PE	Div. Yld.	PE
310	300	31	3.6	31
320	310	32	3.7	32
330	320	33	3.8	33
340	330	34	3.9	34
350	340	35	4.0	35
360	350	36	4.1	36
370	360	37	4.2	37
380	370	38	4.3	38
390	380	39	4.4	39
400	390	40	4.5	40

## Over-the-Counter

NASDAQ National Market Prices

(Continued from Page 14)

12 Month High	12 Month Low	PE	Div. Yld.	PE
410	400	41	4.6	41
420	410	42	4.7	42
430	420	43	4.8	43
440	430	44	4.9	44
450	440	45	5.0	45
460	450	46	5.1	46
470	460	47	5.2	47
480	470	48	5.3	48
490	480	49	5.4	49
500	490	50	5.5	50

12 Month High Low PE Div. Yld. PE

12 Month High	12 Month Low	PE	Div. Yld.	PE
510	500	51	5.6	51
520	510	52	5.7	52
530	520	53	5.8	53
540	530	54	5.9	54
550	540	55	6.0	55
560	550	56	6.1	56
570	560	57	6.2	57
580	570	58	6.3	58
590	580	59	6.4	59
600	590	60	6.5	60

12 Month High	12 Month Low	PE	Div. Yld.	PE
610	600	61	6.6	61
620	610	62	6.7	62
630	620	63	6.8	63
640	630	64	6.9	64
650	640	65	7.0	65
660	650	66	7.1	66
670	660	67	7.2	67
680	670	68	7.3	68
690	680	69	7.4	69
700	690	70	7.5	70

12 Month High	12 Month Low	PE	Div. Yld.	PE
710	700	71	7.6	71
720	710	72	7.7	72
730	720	73	7.8	73
740	730	74	7.9	74
750	740	75	8.0	75
760	750	76	8.1	76
770	760	77	8.2	77
780	770	78	8.3	78
790	780	79	8.4	79
800	790	80	8.5	80

12 Month High	12 Month Low	PE	Div. Yld.	PE
810	800	81	8.6	81
820	810	82	8.7	82
830	820	83	8.8	83
840	830	84	8.9	84
850	840	85	9.0	85
860	850	86	9.1	86
870	860	87	9.2	87
880	870	88	9.3	88
890	880	89	9.4	89
900	890	90	9.5	90

12 Month High Low PE Div. Yld. PE

12 Month High	12 Month Low	PE	Div. Yld.	PE
910	900	91	9.6	91
920	910	92	9.7	92
930	920	93	9.8	93
940	930	94	9.9	94
950	940	95	10.0	95
960	950	96	10.1	96
970	960	97	10.2	97
980	970	98	10.3	98
990	980	99	10.4	99
1000	990	100	10.5	100

12 Month High	12 Month Low	PE	Div. Yld.	PE
1010	1000	101	10.6	101
1020	1010	102	10.7	102
1030	1020	103	10.8	103
1040	1030	104	10.9	104
1050	1040	105	11.0	105
1060	1050	106	11.1	106
1070	1060	107	11.2	107
1080	1070	108	11.3	108
1090	1080	109	11.4	109
1100	1090	110	11.5	110

12 Month High	12 Month Low	PE	Div. Yld.	PE
1110	1100	111	11.6	111
1120	1110	112	11.7	112
1130	1120	113	11.8	113
1140	1130	114	11.9	114
1150	1140	115	12.0	115
1160	1150	116	12.1	116
1170	1160	117	12.2	117
1180	1170	118	12.3	118
1190	1180	119	12.4	119
1200	1190	120	12.5	120

12 Month High Low PE Div. Yld. PE

12 Month High	12 Month Low	PE	Div. Yld.	PE
1210	1200	121	12.6	121
1220	1210	122	12.7	122
1230	1220	123	12.8	123
1240	1230	124	12.9	124
1250	1240	125	13.0	125
1260	1250	126	13.1	126
1270	1260	127	13.2	127
1280	1270	128	13.3	128
1290	1280	129	13.4	129
1300	1290	130	13.5	130

12 Month High	12 Month Low	PE	Div. Yld.	PE
1310	1300	131	13.6	131
1320	1310	132	13.7	132
1330	1320	133	13.8	133
1340	1330	134	13.9	134
1350	1340	135	14.0	135
1360	1350	136	14.1	136
1370	1360	137	14.2	137
1380	1370	138	14.3	138
1390	1380	139	14.4	139
1400	1390	140	14.5	140

12 Month High	12 Month Low	PE	Div. Yld.	PE
1410	1400	141	14.6	141
1420	1410	142	14.7	142
1430	1420	143	14.8	143
1440	1430	144	14.9	144
1450	1440	145	15.0	145
1460	1450	146	15.1	146
1470	1460	147	15.2	147
1480	1470	148	15.3	148
1490	1480	149	15.4	149
1500	1490	150	15.5	150

12 Month High	12 Month Low	PE	Div. Yld.	PE
1510	1500	151	15.6	151
1520	1510	152	15.7	152
1530	1520	153	15.8	153
1540	1530	154	15.9	154
1550	1540	155	16.0	155
1560	1550	156	16.1	156
1570	1560	157	16.2	157
1580	1570	158	16.3	158
1590	1580	159	16.4	159
1600	1590	160	16.5	160

12 Month High Low PE Div. Yld. PE

12 Month High	12 Month Low	PE	Div. Yld.	PE
1610	1600	161	16.6	161
1620	1610	162	16.7	162
1630	1620	163	16.8	163
1640	1630	164	16.9	164
1650	1640	165	17.0	165
1660	1650	166	17.1	166
1670	1660	167	17.2	167
1680	1670	168	17.3	168
1690	1680	169	17.4	169
1700	1690	170	17.5	170

12 Month High	12 Month Low	PE	Div. Yld.	PE
1710	1700	171	17.6	171
1720	1710	172	17.7	172
1730	1720	173	17.8	173
1740	1730	174	17.9	174
1750	1740	175	18.0	175
1760	1750	176	18.1	176
1770	1760	177	18.2	177
1780	1770	178	18.3	178
1790	1780	179	18.4	179
1800	1790	180	18.5	180

12 Month High	12 Month Low	PE	Div. Yld.	PE
1810	1800	181	18.6	181
1820	1810	182	18.7	182
1830	1820	183	18.8	183
1840	1830	184	18.9	184
1850	1840	185	19.0	185
1860	1850	186	19.1	186
1870	1860	187	19.2	187
1880	1870	188	19.3	188
1890	1880	189	19.4	189
1900	1890	190	19.5	190

12 Month High Low PE Div. Yld. PE

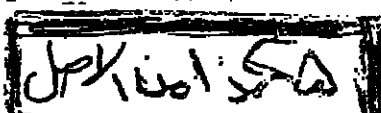
12 Month High	12 Month Low	PE	Div. Yld.	PE
1910	1900	191	19.6	191
1920	1910	192	19.7	192
1930	1920	193	19.8	193
1940	1930	194	19.9	194
1950	1940	195	20.0	195
1960	1950	196	20.1	196
1970	1960	197	20.2	197
1980	1970	198	20.3	198
1990	1980	199	20.4	199
2000	1990	200	20.5	200

12 Month High	12 Month Low	PE	Div. Yld.	PE
2010	2000	201	20.6	201
2020	2010	202	20.7	202
2030	2020	203	20.8	203
2040	2030	204	20.9	204
2050	2040	205	21.0	205
2060	2050	206	21.1	206
2070	2060	207	21.2	207
2080	2070	208	21.3	208
2090	2080	209	21.4	209
2100	2090	210	21.5	210

12 Month High	12 Month Low	PE	Div. Yld.	PE
2110	2100	211	21.6	211
2120	2110	212	21.7	212
2130	2120	213	21.8	213
2140	2130	214	21.9	214
2150	2140	215	22.0	215
2160	2150	216	22.1	216
2170	2160	217	22.2	217
2180	2170	218	22.3	218
2190	2180	219	22.4	219
2200	2190	220	22.5	220

12 Month High	12 Month Low	PE	Div. Yld.	PE
2210	2200	221	22.6	221







SPORTS

Celtics 2-Up on 76ers; Nuggets Even Series

BOSTON — It was just one bad quarter, but it left the Philadelphia 76ers perilously close to the end of one fine National Basketball Association season.

Robert Parish and Dennis Johnson outscored the entire 76er squad in the third period here Tuesday night as the Celtics rolled to a 106-98 victory and a 2-0 lead in the Eastern Conference final playoff series.

Meanwhile, Denver evened the Western Conference final by blowing out Los Angeles, 136-114.

"The 76ers didn't show up in the third quarter," said the losing Julius Erving. "You have to play all four quarters to play basketball — winning basketball." The next two

points in the fourth quarter as Denver outscored Los Angeles by 47-23 to ice the victory that squared matters in the Western Conference finals at a game apiece.

A late-game scuffle between Los Angeles center Kareem Abdul-Jabbar and Denver's Danny Schayes resulted in Abdul-Jabbar's second technical foul and his automatic ejection. "They keyed on Kareem," said the Lakers coach, Pat Riley. "Some call it good defense and others call it karate."

Abdul-Jabbar was held to 13, as was Johnson.

Abdul-Jabbar's ejection came after Schayes and Ervin Johnson tangled briefly. Abdul-Jabbar grabbed Schayes, riding him to the floor and holding him there. The two had exchanged words and shoved a minute earlier, resulting in Abdul-Jabbar's first technical.

"There wasn't one person in the NBA who gave us a prayer of winning this game," said Moe.

Yankees' Late Rally Again Defeats Twins

NEW YORK — Trailing by 7-3 here Tuesday night, the Yankees had the Minnesota Twins right where they wanted them. For the second straight game, New York came from way back to defeat the Twins, Ken Griffey's grand-slam home run clinching a six-run seventh inning that rallied the Yankees to a 10-7 victory.

On Monday night's 9-8 triumph, the Yankees had overcome an 8-0 deficit and won on Don Mattingly's three-run homer in the ninth. On Tuesday, they sent 10 batters to the plate in the seventh and received five walks from three relief pitchers, paving the way for their comeback.

With one out in the ninth inning, Randolph singled off Pete Fister, who then walked Don Mattingly and Dave Winfield. Rick Lysander came on and walked Don Baylor, forcing in Randolph. Curt Wardle took over, and walked Butch Wynegar — making the score 7-5 — before Griffey deposited Wardle's first pitch over the right-field wall for his third homer of the year and his third career grand slam.

Baylor gave the Yankees an insurance run in the eighth with an RBI double. Reliever Brian Fisher pitched 3½ innings for his first major-league victory.

Tim Lincecum and Roy Smalley had three hits apiece for the losers, and every Minnesota starter had at least one hit except Mickey Hatcher and Gary Gattis, whose respective hitting streaks of 10 and 8 games were halted.

"My guys came out swinging the bats," said Minnesota Manager Billy Gardner. "We lost a tough one last night and put seven runs on the board tonight. It's about time the pitchers started doing their part."

Said Yankee Manager Billy Martin: "Hold them to less than nine runs and you'll win."

Royals 5, Orioles 3

In Baltimore, home runs by Frank White,

George Brett and Jim Sundberg highlighted a five-run fourth, Kansas City's biggest inning of the year, as the Royals got past the Orioles.

Mariners 5, Red Sox 0

In Boston, Mike Moore scattered seven hits to shut down the Red Sox and record his first shutout since August 1983.

Blue Jays 6, Angels 3

In Toronto, Damaso Garcia, who went 8-for-13 with seven runs batted in during a weekend sweep of Seattle, stroked a two-out, two-run single in the sixth to break a 3-3 tie and boost the Blue Jays past California.

Tigers 4, Rangers 1

In Detroit, Lou Whitaker raised his league-leading batting average to .366 by going 3-for-4 (including his second home run in two games) as the Tigers defeated Texas.

White Sox 2, Indians 1

In Chicago, Greg Walker's two-out single in the eighth drove home Ozzie Guillen from second base to give the White Sox their squeaker over Cleveland.

A's 6, Brewers 3

In Milwaukee, Dusty Baker's two-run pinch-hit double broke a 2-2 tie and keyed a five-run Oakland ninth against reliever Rolfe Fingers.

Cubs 8, Dodgers 3

In the National League, in Los Angeles, shortstop Larry Bowa had two hits and drove in two runs as Chicago defeated the Dodgers, 8-3, started because 22-year-old rookie Shawn Dunston had been struggling with a .194 average (he had also made nine errors). After the game, the Cubs announced that Dunston had

been demoted to their Triple-A farm club in Des Moines, Iowa.

Giants 3, Pirates 1

In San Francisco, Mike Krukow doubled twice and drove in two runs — in addition to pitching a five-hitter — to pace the Giants. Krukow lowered his earned-run average to 1.45 in registering his third complete game of the season.

Padres 6, Cardinals 2

In San Diego, Andy Hawkins gave up five hits, including homers to Andy Van Slyke and Darrell Porter, before departing in the sixth, but still improved his record to 7-0 as the Padres beat St. Louis. Hawkins benefited from a three-run home run by Kevin McReynolds, who has hit in nine straight games, driving in 10 runs during that stretch.

Mets 3, Braves 1

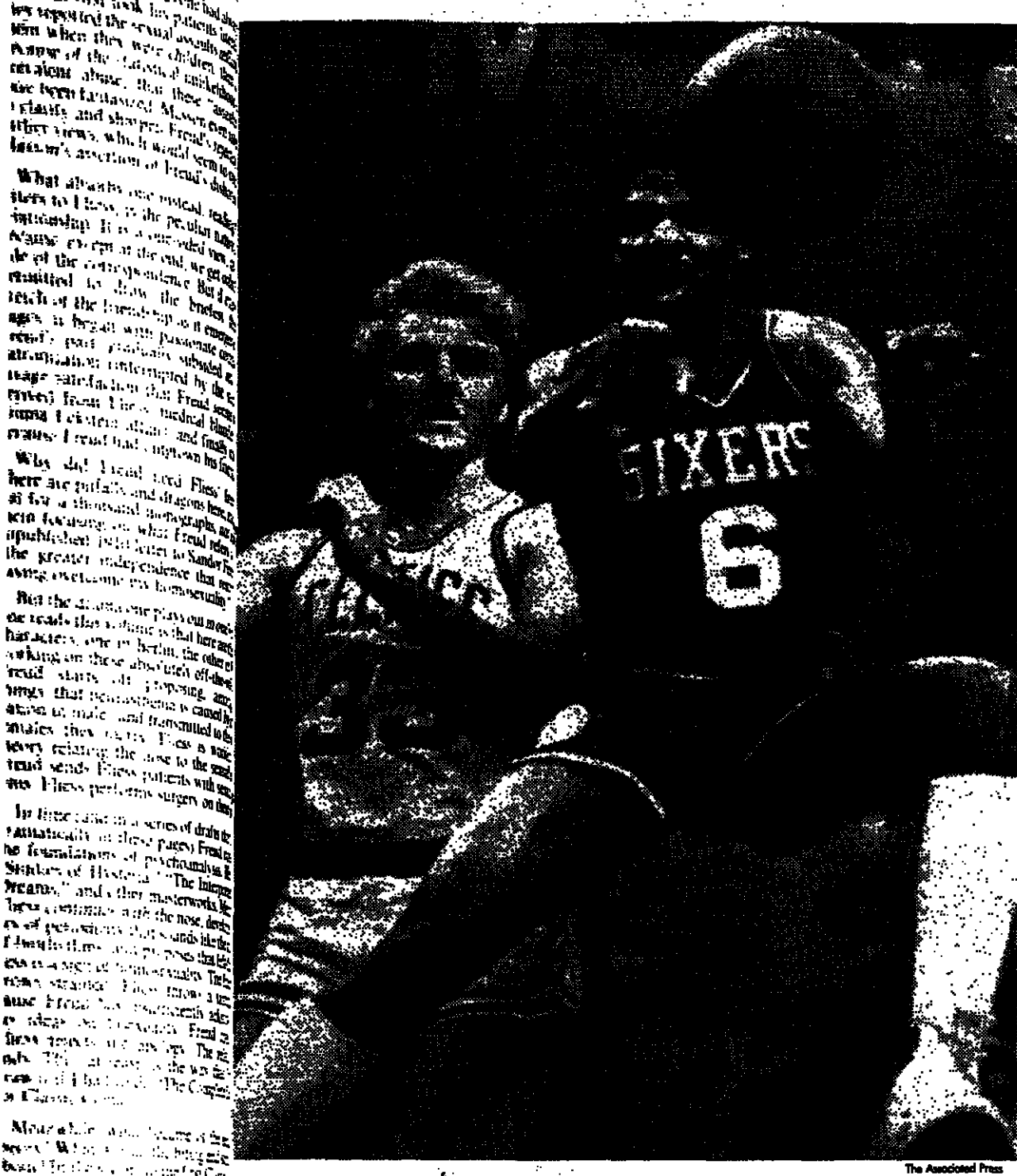
In Atlanta, Roger McDowell pitched 4½ innings of perfect relief and combined with Calvin Schiraldi on a three-hitter as New York won for the seventh time in eight games. The Braves lost for the sixth time in their last seven outings. Rick Mahler dropped his second straight after a 7-0 start and Dale Murphy, who went 0-for-4 (he struck out twice), saw his hitting streak end at 15 games.

Astros 10, Expos 0

In Houston, 17 hits — four by Craig Reynolds and three each by Jerry Mumphrey and Bill Doran — along with eight walks and three helpful errors enabled the Astros to bury the Expos.

Phillies 7, Reds 1

In Cincinnati, Juan Samuel and Mike Schmidt homered (Samuel drove in five runs in all) to help Philadelphia end a seven-game losing streak.



A determined Julius Erving outmaneuvered Larry Bird to make this first-quarter pass, but Bird's 13 points in the final period led the Celtics to a 106-98 NBA playoff triumph Tuesday.

Oilers, Flyers Take 3-2 Leads

EDMONTON, Alberta — Paul Coffey, Jan Kurri and Wayne Gretzky, the heart of the Edmonton offense, responded to their biggest challenge of the season with a record-shattering performance here Tuesday night.

The trio combined for 6 goals and 15 points to spark the Oilers to a 10-5 rout of Chicago, putting Edmonton within one victory of subduing the stubborn Black Hawks in their best-of-seven National Hockey League semifinal playoff series.

The teams return to Chicago for Thursday's Game 6 in the Campbell Conference finals.

Meanwhile, the Philadelphia Flyers rallied to down Quebec, 2-1, and took a 3-2 lead in the Wales Conference finals. Game 6 will be played Thursday night in Philadelphia.

The Oilers knew they needed an explosive showing after being

shackled in two losses in Chicago. "Everyone just did their own job," said Kurri, who had three goals and two assists after failing to score in Chicago.

It was Kurri's third hat trick in the current playoffs, tying the record set in 1983 by Mike Bossy and Mark Messier.

Edmonton needed two first-period goals from Kurri and one by Mike Krushelnyski to offset the current playoffs, tying the record set in 1983 by Mike Bossy and Mark Messier.

Edmonton needed two first-period goals from Kurri and one by Mike Krushelnyski to offset the current playoffs, tying the record set in 1983 by Mike Bossy and Mark Messier.

Oilers then started to pull away on two goals by Gretzky and Kurri's third.

In Quebec City, after two lackluster periods — and a tongue-lashing from Coach Mike Keenan — the Flyers exploded to edge the Nordiques. "Mike gave us a very, very stiff talk between the second and third periods," said Murray Craven, who scored the winner at 15:01 of the final period. "He told us we didn't look like we wanted to win."

Outshot by 18-12 in the first two periods and losing by 1-0, the Flyers came out winging for the final 20 minutes.

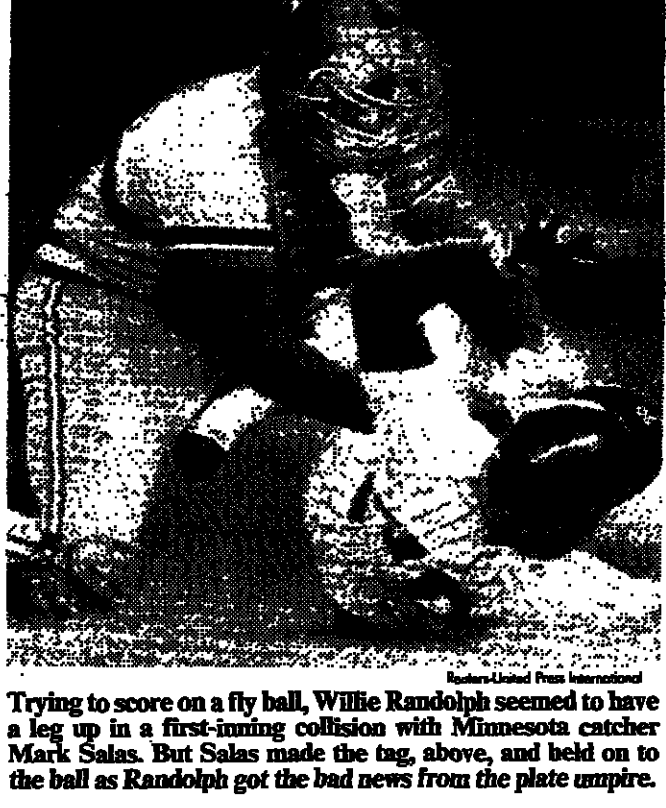
Joe Paterson tied the game on a power play at the one-minute mark when he tipped a Mark Howe pass past goalie Mario Gosselin and into the right side of the net. Craven's decisive goal came on a wrist shot from the right face-off circle; he took a cross-ice pass from Brian Propp and put the puck over Gosselin's shoulder.

Fignon to Miss Tour de France

PARIS — Cyclist Laurent Fignon, winner of the Tour de France for the past two years, will not compete in the 1985 tour because of tendinitis in his left Achilles tendon, it was announced Wednesday.

Fignon, 24, is scheduled to have corrective surgery on Thursday.

Fignon brushed Bernard Hinault aside as France's top rider in 1983 with a victory in his first Tour de France, the world's most prestigious cycling event. Fignon won the three-week tour again last year as his Renault dominated from the outset.



Trying to score on a fly ball, Willie Randolph seemed to have a leg up in a first-inning collision with Minnesota catcher Mark Salas. But Salas made the tag, above, and held on to the ball as Randolph got the bad news from the plate umpire.



The Associated Press

SCOREBOARD

Baseball

Football

Basketball

Tennis

Tuesday's Major League Line Scores

AMERICAN LEAGUE		
Texas	100-100-10-10	10-10
Detroit	120-120-12-12	12-12
Houston	140-140-14-14	14-14
Los Angeles	160-160-16-16	16-16
San Francisco	180-180-18-18	18-18
Seattle	200-200-20-20	20-20
San Diego	220-220-22-22	22-22
San Jose	240-240-24-24	24-24
San Antonio	260-260-26-26	26-26
San Marcos	280-280-28-28	28-28
San Luis	300-300-30-30	30-30
San Jose	320-320-32-32	32-32
San Antonio	340-340-34-34	34-34
San Marcos	360-360-36-36	36-36
San Luis	380-380-38-38	38-38
San Jose	400-400-40-40	40-40
San Antonio	420-420-42-42	42-42
San Marcos	440-440-44-44	44-44
San Luis	460-460-46-46	46-46
San Jose	480-480-48-48	48-48
San Antonio	500-500-50-50	50-50
San Marcos	520-520-52-52	52-52
San Luis	540-540-54-54	54-54
San Jose	560-560-56-56	56-56
San Antonio	580-580-58-58	58-58
San Marcos	600-600-60-60	60-60
San Luis	620-620-62-62	62-62
San Jose	640-640-64-64	64-64
San Antonio	660-660-66-66	66-66
San Marcos	680-680-68-68	68-68
San Luis	700-700-70-70	70-70
San Jose	720-720-72-72	72-72
San Antonio	740-740-74-74	74-74
San Marcos	760-760-76-76	76-76
San Luis	780-780-78-78	78-78
San Jose	800-800-80-80	80-80
San Antonio	820-820-82-82	82-82
San Marcos	840-840-84-84	84-84
San Luis	860-860-86-86	86-86
San Jose	880-880-88-88	88-88
San Antonio	900-900-90-90	90-90
San Marcos	920-920-92-92	92-92
San Luis	940-940-94-94	94-94
San Jose	960-960-96-96	96-96
San Antonio	980-980-98-98	98-98
San Marcos	1000-1000-100-100	100-100

Major League Standings

AMERICAN LEAGUE		
East Division	W	L
Texas	100	100
Detroit	120	120
Houston	140	140
Los Angeles	160	160
San Francisco	180	180
Seattle	200	200
San Diego	220	220
San Jose	240	240
San Antonio	260	260
San Marcos	280	280
San Luis	300	300
San Jose	320	320
San Antonio	340	340
San Marcos	360	360
San Luis	380	380
San Jose	400	400
San Antonio	420	420
San Marcos	440	440
San Luis	460	460
San Jose	480	480
San Antonio	500	500
San Marcos	520	520
San Luis	540	540
San Jose	560	560
San Antonio	580	580
San Marcos	600	600
San Luis	620	620
San Jose	640	640
San Antonio	660	660
San Marcos	680	680
San Luis	700	700
San Jose	720	720
San Antonio	740	740
San Marcos	760	760
San Luis	780	780
San Jose	800	800
San Antonio	820	820
San Marcos	840	840
San Luis	860	860
San Jose	880	880
San Antonio	900	900
San Marcos	920	920
San Luis	940	940
San Jose	960	960
San Antonio	980	980
San Marcos	1000	1000

United States Football League Leaders

EASTERN CONFERENCE		
Team	Yards	Points
Tampa Bay	4500	450
New Jersey	4100	410
Memphis	3800	380
Baltimore	3500	350
San Francisco	3200	320
Birmingham	2900	290
Orlando	2600	260
Team	Yards	Points
Birmingham	2100	210
Baltimore	1800	180
San Francisco	1500	150
Memphis	1200	120
New Jersey	900	90
Jacksonville	600	60
Orlando	300	30
Team	Yards	Points
San Francisco	2500	250
Birmingham	2200	220
Baltimore	1900	190
Memphis	1600	160
New Jersey	1300	130
Jacksonville	1000	100
Orlando	700	70
Team	Yards	Points
San Francisco	600	60
Birmingham	500	50
Baltimore	400	40
Memphis	300	30
New Jersey	200	20
Jacksonville	100	10
Orlando	0	0
Team	Yards	Points
San Francisco	100	10
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	0
Birmingham	0	0
Baltimore	0	0
Memphis	0	0
New Jersey	0	0
Jacksonville	0	0
Orlando	0	0
Team	Yards	Points
San Francisco	0	



